

**THE STATES OF DELIBERATION**  
**of the**  
**ISLAND OF GUERNSEY**

**POLICY & RESOURCES COMMITTEE**

**END OF TERM FUTURE GUERNSEY PLAN COMMENTARY 2016-2020**

The Presiding Officer  
States of Guernsey  
Royal Court House  
St Peter Port

16<sup>th</sup> March, 2020

Dear Sir

**1 Executive Summary**

- 1.1 In the rapidly developing context of COVID-19, Guernsey must again demonstrate the social and psychological resilience of its people. This is the biggest global pandemic in 100 years; the biggest public health challenge for the Bailiwick since the Second World War; and the biggest global economic shock since the 1973 oil crisis.
- 1.2 Since the financial crash in 2008 the States of Deliberation has steered the Island into a very strong financial position which allows for significant mobilisation of resource to support the community and economy through this demand/supply shock for however long this will last: it will undoubtedly challenge our public health services and will damage our public finances.
- 1.3 While the Policy & Resources Committee has met its obligations in lodging this policy letter, there is no doubt that the Island's priorities are being re-written for 2020 as a consequence of the COVID-19 pandemic and quite possibly will be for the four-year period forming the next government plan.
- 1.4 This Assembly established the 20-year Future Guernsey Plan<sup>1</sup> as a means of strengthening leadership, co-ordination and accountability in meeting overall policy objectives for the long-term. Delivered by collaborative working in the Assembly, across the organisation, and with the community, high level outcomes are monitored and benchmarked against the Organisation for Economic Development and Cooperation (OECD) Better Life Index. The ability to monitor

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<sup>1</sup> [Rule 23, Rules of Procedure of the States of Deliberation and their Committees](#)

progress against the Future Guernsey Plan is critical to achieving meaningful outcomes for our community and ensuring that the States of Guernsey are using resources in the best way.

- 1.5 This policy letter is the first end of term commentary from the Policy & Resources Committee on the performance of the States of Guernsey in relation to the Future Guernsey Plan. It incorporates handover reports provided by the committees of the States and updates on the prioritisation of legislation and extant Resolutions.
- 1.6 Future Assemblies will be responsible for the further and new development of medium term priorities for that Assembly to take the next steps in this long-term plan. This will be informed by the successor Policy & Resources Committee's consideration of issues of strategic importance to the Island, such as fiscal and economic affairs, social affairs, the environment and climate change, population and land use, external relations, and will be further informed by the committees' handover reports.

#### Successes

- 1.7 The Guernsey Annual Better Life Indicators Report shows Guernsey is performing well compared with other jurisdictions in a wide range of areas which reflect Islanders' quality of life: long-term unemployment is extremely low, and measures such as life expectancy (benchmarked as at 2016 with latest OECD available data) and disposable household income which are among the highest of any jurisdiction.

#### Issues

- 1.8 The OECD Better Life indicators suggest that Guernsey offers, for most people, a good quality of life. However this is not necessarily the case for everyone and there are people both above and below the averages presented. The Future Guernsey Plan has the overall aim of securing an environment to foster sustainable well-being for all. The development of an economy that provides growth and sustainable tax levels for general revenue through tax receipts, coupled with restraint in relation to the cost and size of government, will enable investment in policies and services to support medium and long-term well-being for all in our community.

#### Challenges

- 1.9 The major challenges experienced through the first four years of the Future Guernsey Plan include:
  - The time required to establish a completely new approach to strategic

planning for the new model of government in the Island, following the previous Assembly's approval of the detailed recommendations of the States' Review Committee;

- The need to build greater visibility of work streams and an improved focus on outcomes across the States;
- The lack of time and competing calls on resources to fully discharge the Resolutions resulting from the business of the States from both previous and current Assemblies, compounded by the previous absence of any overall prioritisation of these Resolutions;
- Very limited prioritisation of the policy priorities within the Future Guernsey Plan – in relation to each other, to extant Resolutions, resources and outcomes;
- The finite capacity within the public service to deliver the Future Guernsey Plan and other areas of work;
- Recognition that not all identified priorities have been resourced and so have not progressed as far as originally intended; and
- External factors that emerged, diverting resources that might have otherwise been able to progress work.

- 1.10 Through the continual improvement of the Future Guernsey Plan and its supporting processes; through greater visibility, measurement and reporting on progress; and through improved resource allocation, it is intended to more effectively manage the impact of these challenges.

## **2 Introduction**

- 2.1 The States agreed in July, 2015<sup>2</sup> that the States' Strategic Plan should be replaced by an overall plan with a 'significant focus on policy matters', which was to be 'reasonably straightforward, flexible and un-bureaucratic' and was to be seen as a 'means of strengthening leadership, co-ordination and accountability'.

- 2.2 The Future Guernsey Plan was established in two phases. Subsequently it has been returned to the States of Deliberation annually for review and update. Further to changes in the Rules<sup>3</sup> in June, 2019 to address the level of detail provided annually, the Policy & Resources Committee has moved to publish relevant material on [www.gov.gg](http://www.gov.gg) as a matter of course and thereby further improve transparency and accountability across government.

- 2.3 This policy letter provides:

- An update on the governance of the Future Guernsey Plan;
- Commentary on progress against the Future Guernsey Plan during this

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<sup>2</sup> Billet d'État XII of 2015

<sup>3</sup> [Rule 23, Rules of Procedure of the States of Deliberation and their Committees](#)

States' term (2016-2020);

- Arrangements for quarterly reporting of the States Portfolio;
- Identification of States' Resolutions which remain outstanding;
- The prioritised drafting of significant items of legislation for the year ahead; and
- The handover reports from Committees, Authorities, Boards, and other States' bodies.

### 3 Governance of the Future Guernsey Plan

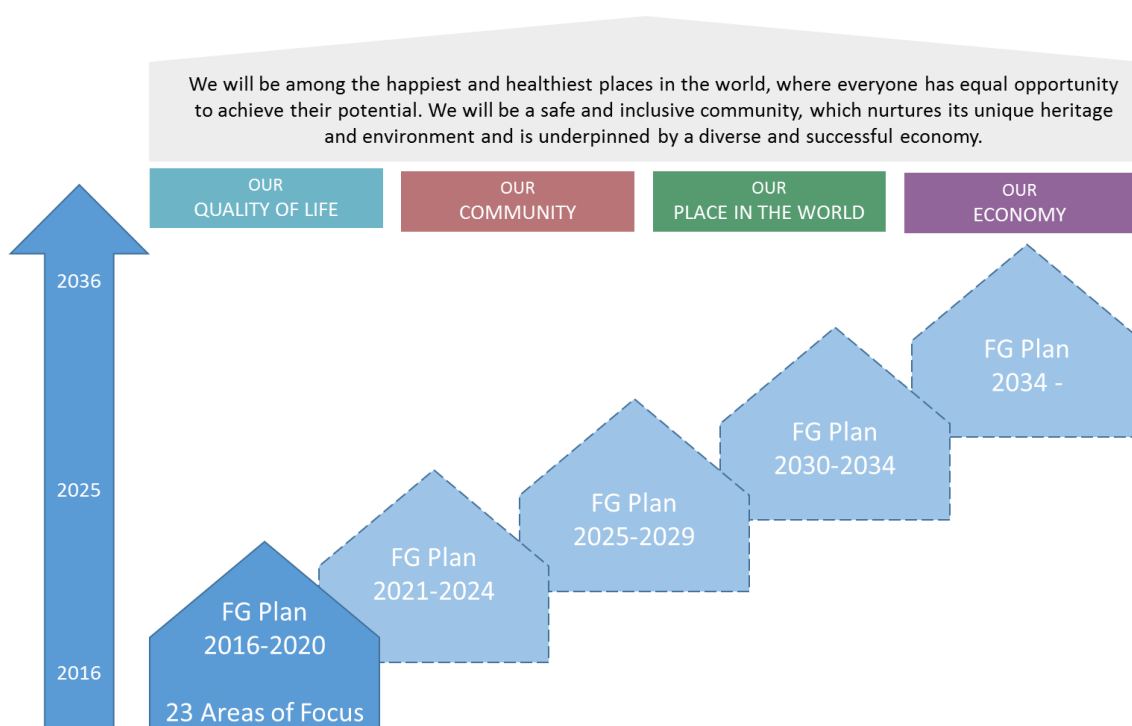


Image 1. The Plan's 20-year strategic vision and four themes.

- 3.1 The first iteration of the Future Guernsey Plan (Phase 1) established the 20-year vision and a framework for aligning the States' priorities in the short, medium and long-term. Phase 2 of the Future Guernsey Plan set out agreed policy priority areas building from Principal Committee's policy plans. Annual reviews of the Future Guernsey Plan throughout this political term has enabled the policy priorities to be revisited and amended.
- 3.2 To effectively develop and implement policy that will deliver the long-term outcomes intended, it will be necessary for all future four-year plans to continue to demonstrate contributions to the 20-year vision agreed in 2016 through appropriate measures and targets. Without continuity and prioritisation, the outcomes that are intended from Resolutions of the Assembly will not be delivered as many of the policy priority areas already identified will span more than one political term.



3.3 The annual Guernsey Better Life Indicators Report, based on the OECD Better Life Index, has been published since December, 2018<sup>4</sup>. The report benchmarks against other jurisdictions and provides an objective tool to establish the effectiveness of the policies of the States.

3.4 The indicators are designed to be monitored over the long-term, which aligns with the States' concept of a long-term strategic plan. However the wealth of other national statistics that are published<sup>5</sup>, along with measures of operational performance of States' services that are being collated into the broader monitoring framework, will aid understanding of the impacts of policy.

#### **4 Rule 23 changes**

4.1 Rule 23 governs how the Future Guernsey Plan is compiled and reported. Changes made in 2019 and reflected in this policy letter include:

- Ensuring 'handover reports' for the new Assembly are completed for each States body;
- Establishing further phases for future political terms; and
- Establishing the management and discharge, transfer or rescission of remaining extant States Resolutions.

#### **5 Policy development**

5.1 Under its mandate for policy co-ordination and legislation prioritisation, the Policy & Resources Committee has established a cross-committee approach to monitoring and reporting extant Resolutions, legislation drafting and the Future Guernsey Plan. This includes putting in place the means to publish this information in an appropriately accessible manner on [www.gov.gg](http://www.gov.gg).

5.2 The list of prioritised legislation drafting was first published in this format on 31<sup>st</sup> December, 2019<sup>6</sup>. Information relating to States' Resolutions<sup>7</sup> will similarly be published alongside this policy letter.

5.3 This approach has been informed by feedback from the committees of the States, and it is now part of a regular quarterly review that each committee is undertaking to prioritise and manage its work to meet the Future Guernsey Plan's agreed objectives. Through the review process, there is now greater visibility across the work of the entire States in terms of policy development, discharging extant Resolutions and the drafting of prioritised legislation.

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<sup>4</sup> <https://www.gov.gg/indicators>

<sup>5</sup> [www.gov.gg/data](http://www.gov.gg/data)

<sup>6</sup> <https://gov.gg/newlegislation>

<sup>7</sup> [www.gov.gg/statesresolutions](http://www.gov.gg/statesresolutions)

- 5.4 How the quarterly reviews, related resource, and policy input inform and support the Plan, both from an annual update perspective and the next Plan's development, is illustrated in image 2.

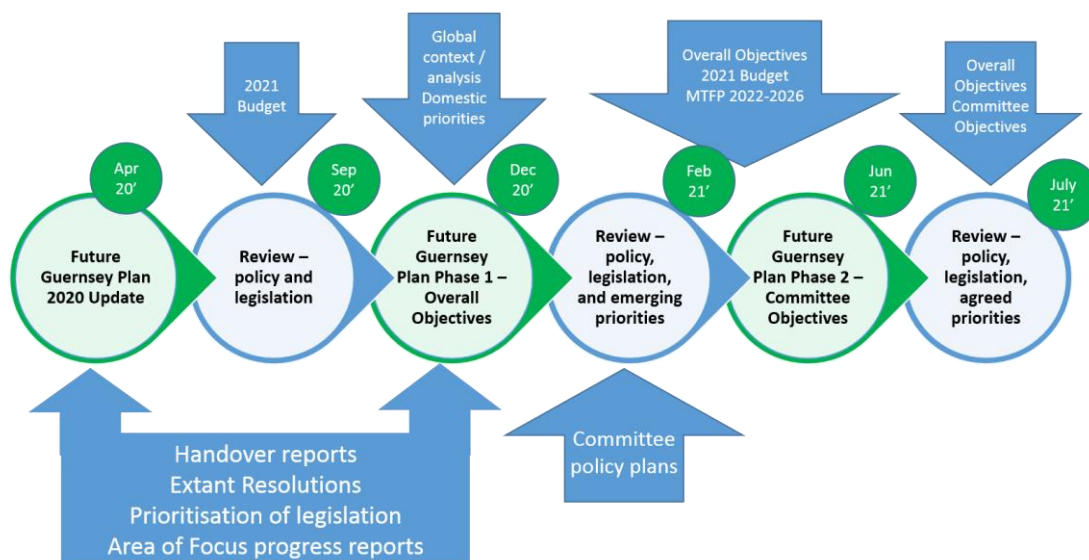


Image 2. Policy and resource inputs into the Plan cycle.

## 6 Progress monitoring

- 6.1 The information collated through the contribution of committees to the annual reviews of the Future Guernsey Plan has been used to develop a management and reporting tool, which is already being actively used in some priority areas. The Supported Living & Ageing Well Strategy (SLAWS) Implementation and Engagement Group and the Children & Young People's Plan (CYPP) Supervisory Group have used the progress reports as part of their quarterly meetings to report on progress against their respective objectives, work streams, and outcomes. It is intended to build on this good practice.

## 7 Theme: Our Community

### One community: inclusive and committed to social justice

- 7.1 A significant milestone in 2018 was the successful implementation of the new system of Income Support, which was overseen by the Committee for Employment & Social Security. This brought together the supplementary benefit and the rent rebate systems for social housing into a single comprehensive system. This is intended to create a fairer welfare system that treats social housing tenants and private rental tenants equitably, and has reduced the

anomalies that were created by having two separate sets of rules.

- 7.2 The Policy & Resources Committee has discharged an extant Resolution in lodging a policy letter entitled 'Improving Living Standards' which separately reviews the progress of ongoing work streams within the Future Guernsey Plan and of extant Resolutions. It summarises what is known about comparative living standards in Guernsey, and the policy development and implementation that is already underway which might serve to improve living standards for Islanders. It provides a vision statement and terms of reference for a new area of focus which will provide a single framework to co-ordinate work streams and to facilitate clearer and more connected policy development in this area.
- 7.3 Building on the principle of personal responsibility, this year the Assembly supported a policy letter setting out proposals, regulation and costs for the introduction of secondary pensions. This discharged the 2016 Resolution when the Assembly agreed in principle to introduce a system of automatic enrolment into private pension saving. Complex legislative drafting and preparations to launch will follow, with the scheme intended to be operating for early 2022, subject to securing a source for funding.
- 7.4 The SLAWS will also be returned to this Assembly when it is asked to consider proposals on long-term care insurance funding, having launched its Carers' Action Plan and the Re-enablement Programme. The changes proposed centre on how the Long-Term Care Fund is used and are important considerations to ensure that the community can access the right long-term care services to fit their needs. The reform of the scheme will enable and support the progression of the Future Model of Care and should start the process of improving its sustainability for future generations.
- 7.5 The Committee *for* Employment & Social Security has dedicated considerable energy in bringing forward significant policy proposals for the introduction of multi-ground anti-discrimination legislation. The broad church of views across the community has made this complex area, new to the community, even more challenging, but this Assembly will be considering legislative proposals that start to provide statutory protection for the more vulnerable in our society, albeit on a more limited number of grounds in the first phase than initially envisaged.
- 7.6 This Assembly is also making progress on its support for children and young people. A major achievement in this political term is that the overall progress that has been made has met the formal provisions of the United Nations Convention on the Rights of a Child. The UK Government has advised that the Convention will now be formally extended to Guernsey, subject to the final step of formal United Nations ratification.
- 7.7 The Committee *for* Education, Sport & Culture is dedicated to its review

of the Education Law, which includes a review of Special Educational Needs and Disability, and the Committee *for* Health & Social Care is bringing its review of the Children's Law to this Assembly, to be followed by a review of the adoption law as soon as practicable. It is critical that the changes to the primary legislation which have been previously reported in the Committee *for* Health & Social Care's policy plan are advanced as a priority to prevent the delays created by the system from ensuring the best and safest outcomes for children and young people.

- 7.8 This Assembly has also just supported proposals for 'no fault' divorce which undoubtedly will assist in minimising the trauma for children of separating parents. A challenge for government is that as society changes and older legislation such as the Marriage and Marital Causes Laws are consequently reviewed, it becomes apparent that other inter-linked areas of law also need to be reviewed. Areas of future interest include pensions, protection for co-habiting couples and birth registrations, and new discrimination legislation will require the review of other, older pieces of legislation. Resourcing this work will be challenging with the competing demands from new initiatives.

#### Life-Long Learning

- 7.9 To fully support innovation and entrepreneurialism, Guernsey must ensure that its working population has the skills required by local employers. The Skills Strategy Action Plan has been developed to focus and co-ordinate the work of States committees, non-States partners, and the Guernsey Institute on skills training and lifelong learning which matches the needs of the future economy. It will be important for the future success of the Island that business and education are brought closer together. The work to develop the Guernsey Institute is a welcome development which must be supported by appropriate enabling provisions in the new Education Law.
- 7.10 The Committee *for* Education, Sport & Culture is leading on policy development, transformation and capital developments in the primary, secondary and tertiary phases to provide equality of opportunity to a modern curriculum and improve educational outcomes. Meanwhile the focus of learning continues to be informed by the work of Skills Guernsey, supporting the States of Guernsey Economic Development Strategy, the Disability, Equality and Inclusion Strategy, the Digital Strategy and the Longer Working Lives initiative.
- 7.11 The formation of Lisia School has remained high profile and increasingly contentious, both publically and politically. At its meeting on 26<sup>th</sup> February, 2020 the Assembly resolved to direct the Committee *for* Education, Sport & Culture not to enter into any contractual obligations on behalf of the States or continue with any associated procurement processes for implementation of any elements of the one school on two sites plan.

- 7.12 Instead, the Committee *for* Education, Sport & Culture must now prepare a report before the end of the term of the current States, that must compare the structure and implementation of the one school on two sites plan with other viable models of non-selective educational delivery in Guernsey previously presented to and considered by the Committee, for consideration by the Committee *for* Education, Sport & Culture as constituted after the 2020 General Election. In turn, before the end of 2020, the new Assembly must be able to consider a Policy Letter and suitable Propositions to implement what the newly constituted Committee believes to be the best model for secondary education in Guernsey.
- 7.13 This responds to the community's call to further evaluate the proposals, which is a position generally believed to be supported by the teaching profession. The measures for such a comparison have not been established and neither have any unintended consequences to the transformation programme for education, including the IT provision, been fully identified as yet. In considering its commentary on lifelong learning, the Policy & Resources Committee is mindful that the Committee *for* Education, Sport & Culture has lodged a Policy Letter as an additional Billet d'État for the 18<sup>th</sup> March, 2020 States' Meeting, to further clarify the direction for future work that it considers has not been fully developed by the recent States' debate on the future of education.

## **8 Theme: Our quality of life**

### **Healthy community**

- 8.1 Building on the foundations set out in the Partnership of Purpose, the Future Model of Care will now have the support of restructured funding through the Guernsey Health Service Fund. This will support further collaborative work by the Committees *for* Health & Social Care, Employment & Social Security and the Policy & Resources Committee. Legislative drafting is progressing.
- 8.2 The new policy for the funding of drugs, treatments and devices has also been supported by the Assembly, with a two year funding programme. At the end of that two year period, a further review and a new funding stream will be required to continue and potentially increase the available options in the Bailiwick.
- 8.3 This Assembly will also consider at its last Meeting proposals from the Committee *for* Health & Social Care that review the model and funding of primary care, which is the bedrock of the Island's healthcare service. This will include general practice and emergency care at the hospital. Its overall objectives are:
- Retaining and preserving what is valued in the current system, such as good access to GPs in primary care in terms of opening times, ease of

- arranging appointments and speed of access;
  - Diversifying and broadening the offer to make it more accessible and affordable; and
  - Investing more into prevention and early intervention.
- 8.4 Now well established, the Health Improvement Commission is driving early intervention and prevention through a comprehensive health and well-being programme and is well positioned to advise the States in their development of inter-dependent policies.
- 8.5 Legislation to support a healthy community is also moving with acceptable pace given the pressures generated on policy support and drafting resources. A vital work stream to implement the Disability, Equality and Inclusion Strategy, the draft Capacity Law, has been subject to consultation and recently supported by this Assembly. It marks a further milestone to ensure that there are safeguards in place to protect people who may not have the capacity to make their own decisions. Legislative drafting also continues in support of developing a Health and Care Regulatory Commission with Jersey.

#### Safe and secure place to live

- 8.6 The Committee *for* Home Affairs is bringing Phase 2 of the Justice Review to this Assembly. The independent reviewer has collated and analysed already available quantitative information and engaged with the principal criminal justice institutions. The justice strategy will recognise both criminal and social issues, and is considering all forms of justice delivered by services reporting to Committees of the States, and will inform next steps.
- 8.7 Energy Policy and Climate Change have been a significant focus for the Committee *for the* Environment & Infrastructure. Comprehensive consultation has informed the energy policy letter which has a strategic focus on (a) overall objectives for Guernsey's energy security and resilience and (b) sets out the work and next steps that need to be taken in order to achieve those objectives.
- 8.8 This Assembly pressed for action to mitigate climate change. The Committee *for the* Environment & Infrastructure has responded and is bringing a policy letter and draft Climate Change Action Plan to the Assembly in May.
- 8.9 The Housing Strategy is now being progressed through resources and funding that was made available by the Policy & Resources Committee. Key Worker Housing and Elderly Tenure work streams are now resourced and the General Housing Law policy letter has been lodged for the 22<sup>nd</sup> April States' Meeting.

## Long-Term Infrastructure Investment Plan

- 8.10 At present there is limited high-level policy to which infrastructure development and maintenance is aligned and this prioritisation reflects the need for a more coordinated and future-orientated infrastructure approach across the States. The Committee *for the* Environment & Infrastructure working with the Policy & Resources Committee has proposed that the progression of this focus area concentrate on establishing the Island's highest level infrastructure framework. Policy at this level will help the States to look ahead when making infrastructure decisions and will ensure that investment is aligned and delivers the greatest possible value to the community.
- 8.11 The framework would occupy the same policy position as the Fiscal Policy Framework, the highest level of fiscal policy set by the States. To reflect the level of policy setting and the terminology used by the Fiscal Policy framework, it is proposed to rename the focus area the 'Long-Term Infrastructure Framework'.
- 8.12 As it sits at a high level, the framework would cover all categories of infrastructure in the Island. Accordingly, a broad definition of infrastructure would be applied. The definition of infrastructure in the Strategic Land Use Plan is '*the basic facilities, services and installations needed for the functioning of a community or society*'; it is intended to apply this definition within the framework.
- 8.13 In 2019, a Working Group was established which includes Members of the Policy & Resources Committee and the Committee *for the* Environment & Infrastructure. This Working Group is developing the components of the Framework, including drivers and challenges, core principles and enabling goals, with the aim of producing a handover report to support the further development of the area of focus in the new political term.

## **9 Theme: Our place in the world**

### Centre of excellence and innovation

- 9.1 Guernsey's international reputation is essential to its ability to remain home to an innovative and successful finance sector and to diversify its economy.
- 9.2 Guernsey's reputation was further strengthened this year by the publication of Guernsey's National Risk Assessment report in relation to anti-money laundering and combating the financing of terrorism. The National Risk Assessment is overseen jointly by the Committee *for* Home Affairs and the Policy & Resources Committee and recognises the excellent work done in Guernsey on these critical issues – by the States, by law enforcement, by the Law Officers, by the regulator and by individual businesses – and helps prioritise the areas to which the States

can deploy resources in the future.

- 9.3 The Assembly adopted its Economic Development Strategy in July, 2018, followed by an Implementation Plan which set out the Committee *for* Economic Development's critical, important and beneficial priorities.<sup>8</sup> The Committee has focused economic growth initiatives centred on Guernsey's core competitive values of stability, quality and innovation and as set out in its handover report has delivered success in a number of areas.
- 9.4 The States Digital Framework, published in 2017, identified the role that government can play in directly supporting the digital and wider economy through digital innovation and capability. The States have now established their Telecoms Strategy with policy ambitions in respect of provision of fibre to business districts, provision of high quality super-fast broadband and provision of next generation mobile (5G). The Committee *for* Economic Development has committed to bringing a policy letter to the States on 5G technology, including licence conditions and criteria, by the end of 2020.
- 9.5 Smart Guernsey economic development initiatives will need to be supported to maximise exciting opportunities in areas such as Fintech, HealthTech, RegTech<sup>9</sup> and EdTech<sup>10</sup>. These initiatives are central to most of the world's financial centres. To remain competitive, Guernsey needs to invest in these technology projects.
- 9.6 As a centre for excellence and innovation Guernsey must maintain its reputation for being open for business. A new approach to delivering an entrepreneurial ecosystem has been developed following a review of the existing arrangements for advice to businesses. There are new partnerships with Barclays Eagle Labs, Blenheim Chalcot and the Digital Greenhouse, and the Guernsey Chamber of Commerce. A proposal for a new entrepreneurship delivery model, linked to the work on digital connectivity, has been developed and implemented. Additionally there is an exciting new opportunity to work with Scale Space in the UK to extend the reach of the Guernsey entrepreneurial ecosystem which is anticipated will significantly build Guernsey's reputation in terms of innovation.
- 9.7 Work is progressing to establish an international university presence on the Island through partnership with prestigious long-established universities both in the UK but also world-wide. A number of universities have indicated an interest in partnering with the Island to provide unique opportunities for their students to study. The university could provide work-based learning and industry-based research opportunities which would enhance research, academic and business

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<sup>8</sup>[Implementing the States of Guernsey's Economic Development Strategy](#) approved by the States on 28<sup>th</sup> November, 2018: Billet d'État XXV

<sup>9</sup> Regtech: regulatory technology that uses IT to enhance regulatory processes within the financial industry.

<sup>10</sup> Edtech: educational technology that combines IT tools and educational practices aimed at enhancing learning.



development in Guernsey. The Policy & Resources Committee has supported commissioning a feasibility study which will be carried out during 2020.

#### Mature international identity

- 9.8 Much has changed since the last update. The States of Deliberation considered a policy letter laid by the Policy & Resources Committee ahead of the UK leaving the EU on 31<sup>st</sup> January, 2020. It updated the States and outlined the next steps and their implications for Guernsey. This was important as it enabled the current Assembly to signify its views on the UK's Withdrawal Agreement, which will directly impact on Guernsey's relationship with the EU, before it took effect.
- 9.9 The next phase will be for the UK Government to negotiate a future relationship with the EU on behalf of the entire British family, including Guernsey, with the aim of doing so before the end of the transition period on 31<sup>st</sup> December, 2020. The Policy & Resources Committee has been working closely with the UK Government to prepare for these negotiations, and as set out in the Policy Letter, stands ready for the next phase. This process will be intensive and require the continued support of stakeholders both from within government and wider industry, as well as regulators.
- 9.10 The necessary governance framework is in place to help manage Guernsey's own negotiations. Notwithstanding that this will be a challenging and difficult year as the negotiations progress, due to the hard work and diligence of many inside and outside the Assembly, Guernsey can assess its post-Brexit future with optimism and confidence. This was very recently demonstrated by the efficient and effective manner in which issues relating to fisheries were addressed under SMEFF in early 2020, working with regional and national authorities in France.
- 9.11 Established as the Overseas Aid Committee in February, 1980, the Overseas Aid & Development Committee (OA&DC) continues, in its fortieth year, to play an active role in the work of the States and in particular contributing to the Island's international identity. A commitment to international development and responding to disasters allows the Island to position itself as a force for good. The policies and actions of OA&DC support Guernsey's external relations through a constructive relationship with Ille-et-Vilaine region in Brittany and it expects to contribute to the Climate Change Action Plan in the last few months of this term.
- 9.12 Fairtrade promotes sustainable development through trade. Guernsey has been a Fairtrade Island for 14 years and the OA&DC has been responsible for championing this within the States since 2018. This is appropriate and the Policy & Resources Committee would agree with the OA&DC that it should be reflected in its mandate.
- 9.13 In the new term, the successor Policy & Resources Committee may consider how a broad approach to a heritage strategy for Guernsey may contribute to the

outcomes targeted by the Future Guernsey Plan through the protection and promotion of our unique identity, language and rich natural and cultural heritage. Co-ordinated by the Committee *for* Education, Sport & Culture, it might also align with other areas of the States' work such as (though not limited to) the Island Development Plan, the Seafront Enhancement Area, the Biodiversity Strategy and the Tourism Action Plan.

## **10 Theme: Our economy**

### **Strong, sustainable and growing economy**

- 10.1 Guernsey's critical strengths will continue to include constitutional stability; the rule of law; substantial human capital through a well-educated, highly-skilled population; nimble decision making; the English language; a safe and secure environment; a time-zone convenient for global business; and world-class digital connectivity. Without a strong economy the States of Guernsey will not have the revenue necessary to pursue social welfare programmes or invest in vital public services and infrastructure.
- 10.2 Utilising these strengths will enable Guernsey to maintain and strengthen its status as a high value economy – that is, one which focuses on activities that generate a large margin between the final price of a good or service and the cost of inputs used to produce it, and thus create higher profits for businesses and higher wages for employees. This will provide sustainable prosperity, enabling us to maintain and grow our existing economic sectors, to support emerging sectors and ideas, and to diversify into new areas that build on what we do well today.
- 10.3 The January, 2020 Guernsey Economic and Financial Stability Overview showed an overall picture of continuing modest increase in the size of the workforce and GDP growth, driven primarily by the finance sector and professional services, supported by a slight expansion in the population.
- 10.4 Building on the stellar growth of prior years in a low growth global environment, the data shows that the Island's GDP continued to grow in real terms in 2018 by c1.7%. Secondary economic indicators such as employment and earnings suggest that GDP continued to grow in real terms through 2019, and estimates will be published in summer 2020. This means that despite global uncertainty Guernsey is performing well, a performance built on foundations of stability, security and prudence.
- 10.5 As the States are aware, a significant amount of time and resources have been given during this political term to managing the potential impact of Brexit, critical to the economic future of the Island, and to seeking any opportunities that may arise.
- 10.6 This Assembly will consider a policy letter and legislation in relation to the

Revision of Laws relating to the regulation of the finance sector. This will be a significant milestone for a hugely important project that will ensure Guernsey's finance sector and its regulatory framework is fit for the future and meets international standards.

- 10.7 It will also give much-needed stability and certainty to the finance sector, which remains the engine of our economy, creating employment, prosperity and the revenue that funds public services. The Committee *for* Economic Development has continued to work on the delivery of the Finance Sector Strategy in partnership with Guernsey Finance and industry through the Guernsey International Business Association.
- 10.8 Currently 'Blue Economy' research is being undertaken to identify initiatives to diversify and grow the economy through optimal use of the Island's surrounding waters. Opportunities for the huge potential that this approach could offer have been identified and an initial action plan agreed but further work needs to be carried out to identify short, medium and long term objectives. Some of these opportunities are linked to the Seafront Enhancement Area, for example, the improvement and expansion of the marina facilities, but also renewable energy in the form of Tidal, Wave and/or Offshore Wind Power. This is intrinsically linked to the creation of a Marine Spatial Plan.
- 10.9 The Committee *for* Economic Development has recently published a Tourism Action Plan; and it has worked with the retail sector to establish a Guernsey Retail Group to promote that sector's interests and members. Both of these initiatives support long-standing sectors in the Island that provide significant employment. In addition the Committee has also completed the first stage of a red tape audit to try to simplify processes for business in the Island.
- 10.10 Air and sea links are vital to sustaining the well-being of the community and the economy. The Policy & Resources Committee continues to lead contingency work undertaken on Guernsey's sea links. It is optimistic that the confirmation of the new owners of Condor Ferries Ltd and completion of its purchase means that the Committee *for* Economic Development can now prioritise putting in place a service level agreement that will ensure Islanders receive an enhanced service.
- 10.11 In respect of air links, the Policy & Resources Committee has received a recommendation from the Committee *for* Economic Development on the award of a public service obligation contract for the Guernsey-Alderney service, which the Assembly designated as a 'lifeline link' in 2018, and for the patient transfer service. This recommendation, its likely cost, and further investigations are being assessed together with how the interests of the Guernsey taxpayer can be protected. The Policy & Resources Committee has identified and confirmed a preferred bidder. Commercial discussions are ongoing, but in the current context of air travel uncertainty these discussions will now take longer to progress. It is important for Guernsey and Alderney residents and taxpayers that given the

service changes that will be in place for the next few difficult weeks, the Policy & Resources Committee continues to oversee the work with the preferred bidder in order to bring a policy letter to the States of Deliberation at the earliest possible juncture of the new term.

- 10.12 Work on the review of the government framework for air operations has been progressing. However the view of the Policy & Resources Committee is that the review cannot, at this stage, be formally concluded and brought to the States of Deliberation. This is because the Island is now in an extraordinary period given the challenges of containing the COVID-19 virus which is having, and will continue to have over the coming weeks, a profound impact on air and sea links connectivity. Aurigny is reassessing its schedule and routes in order to ensure a minimum level of service, to protect the welfare of its employees and passengers, and to stem as far as possible the significant financial losses that it – like all other airlines – will need to absorb during this period. The current environment is also impacting airports – not just Guernsey airport, but those to which we travel. The next few weeks is likely to change the aviation sector for the short and medium term. The review will now actively take account of the impact of this period and the recovery of our air links infrastructure on the government framework for air operations once the community is through this challenging period.
- 10.13 The performance of strategies and programmes to support the economy must be measured against performance indicators to evaluate how successful they are in terms of delivery and value. The Economic and Productivity Advisory Panel contributes to this monitoring process as it brings together industry leaders on the Island with the States to discuss progress on the Economic Development Strategy, scrutinise specific issues and act as a sounding board for new ideas. The Financial Stability Committee, overseen by the Policy & Resources Committee, also provides independent insight into Guernsey's fiscal and economic well-being.

#### Sustainable public finances

- 10.14 The States' finances are in a strong position following many years of financial discipline, delivery of savings, recent economic growth and transferring funds to both the Capital and Core Investment Reserves. During this political term, the States have delivered balanced budgets despite the pressure on the cost and demand for public services. The 2019 outturn was an improvement to that budgeted, particularly with income exceeding estimates in a number of areas including income tax, document duty and investment returns.
- 10.15 This means that the States are well prepared for the now real impact of the ageing population and the consequential demand pressures on public services. There are a number of key policy initiatives which are being developed to manage various aspects of demographic and other pressures. These include:

Drug funding; supporting NICE recommendations; Review of primary care; Funding Long Term Care; States pensions; Secondary pensions, Public Sector terms and conditions; General healthcare pressures; and Funding capital investment and replenishment of reserves.

10.16 In total, these pressures could amount to a potential need for additional funding of between £79m and £132m over the next five to ten years. This level of additional funding cannot be met without making substantial changes to the existing tax base.

10.17 Therefore, in January, 2019 (Billet d'État I of 2019), the States agreed to *“direct the Policy & Resources Committee, in consultation with all States Members and further to public engagement, to conduct a review to ensure that Guernsey’s tax base is capable of raising sufficient revenues to meet long-term government expenditure needs in a sustainable manner within the boundaries of the Fiscal Policy Framework.”*

10.18 The terms of reference for this review are:

- To present options for restructuring the tax base so that it has the capacity to raise revenues up to the limits of aggregate revenues proposed in the Fiscal Policy Framework in a sustainable way within the boundaries of the Framework (to be agreed following consideration of this Policy Letter);
- To investigate mechanisms for raising additional revenues including:
  - the taxation of company profits with due regard to the need to maintain a tax system which is competitive, internationally acceptable and maintains tax neutrality<sup>11</sup>;
  - Extension or modification of the existing income tax and Social Security contribution system;
  - A health tax;
  - The addition of general or limited consumption taxes to the tax base;
- To investigate options for the implementation of these measures in such a way as to minimise the economic impact of changes to the tax structure; and
- To provide analysis of the financial, economic and social implications of any options presented.

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<sup>11</sup> Tax neutrality is important for the continuing operation of the finance sector in Guernsey, enabling Guernsey to competitively facilitate the movement of international capital flows in the absence of the extensive network of double tax agreements available to larger jurisdictions. Tax neutrality ensures that the products and clients of the finance sector are taxed appropriately in the jurisdictions of origin, residence or investment, as appropriate, without any additional tax cost being imposed in Guernsey. Tax neutrality does not generally impede the taxation of profits on the regulated providers of services in the finance sector as is currently the case under the 0/10 regime.

- 10.19 This review will not consider any form of capital taxes which are considered incompatible with Guernsey's status as a finance centre.
- 10.20 The review will be led by the Policy & Resources Committee with public engagement and with States Members and Committees, in the initial stages of the process, to capture their views on potential options and before any final proposals are published. Further detailed engagement with the Committees for Employment & Social Security and Health & Social Care will be undertaken in relation to Social Security contributions and health taxes.
- 10.21 The Policy & Resources Committee will report back to the States on the outcome of the review by no later than June, 2021.
- 10.22 The work stream will incorporate the Resolution made in the debate on Reforming Health Care Funding ([Billet d'État X of June 2019](#)) to:

*"direct the Policy & Resources Committee in consultation with the Committee for Employment & Social Security to progress the second stage of the work stream, as described in section 10 of this Policy Letter, and review the structure of Social Security contributions collected for the support of health and social care services and ensure that these are appropriate, fair and sustainable, and to consider the prioritisation of this work stream for the new Assembly in the 2021-25 Policy & Resource Plan"*

#### *Capital Portfolio Update*

- 10.23 The objective of the Capital Portfolio is to support the achievement of the strategic objectives set out in the Future Guernsey Plan and the objectives of Public Service Reform through investment in infrastructure and systems.
- 10.24 The States continue to improve the way infrastructure and major projects are developed and delivered in order to ensure that the 'right' solutions are delivered that best support government's priorities and offer best value. Programmes such as the Hospital Modernisation and Transforming Education programmes, have involved significant internal resources, managing multiple integrated work streams, and engaging publicly and politically. As a result business cases and policy letters are developing which set out in a more professional and informed manner the key justifications and benefits of investment in order to better facilitate the making of important decisions.
- 10.25 The Policy & Resources Committee believes that the longer term approach to the development of capital projects, which is being encouraged through the funding of a project pipeline, should help ensure that projects are better placed to commence once the States consider the next prioritisation round in 2021. Planning for the next round of prioritisation will commence towards the end of 2020.

- 10.26 The total estimated value of the projects and programmes currently being planned and delivered is in excess of £375m, from immediate routine projects that maintain existing services to major projects that will support the transformation of services over the next ten years, including Hospital Modernisation, Smart Guernsey, the Revenue Service, and the Transforming Education programme.
- 10.27 Up to the end of 2019 a total investment of approximately £90m has been approved for the continued development and delivery of thirty four major capital projects. This includes £22.6m for IT Transformation and £29.5m for the Waste Transfer Station. In addition to the large programmes, smaller projects with a value of approximately £25m including Admiral Park North Sea Wall repointing and Eborders, Ecustoms & Passport IT system were completed during 2019. In addition to these, several other projects with an estimated value of £6.5m are due to be completed in the near future including the Health & Social Care Local Area Network and Foote's Lane track refurbishment.
- 10.28 Progress with the development of major projects is beginning to emerge which is encouraging and the Policy & Resources Committee continues in its wish to support the acceleration of activity levels. This is being done through the provision of seed funding to ensure projects are appropriately resourced.
- 10.29 The Policy & Resources Committee is aware that some Members hold concerns that the processes underpinning capital investment are too onerous and slow progress. The Committee has requested that these processes are continuously reviewed and changes made where necessary in order to balance the need for proper scrutiny of projects and ensuring that there is appropriate governance and control over the use of public funds with the desire that projects are progressed as expeditiously as possible.

## **11 The States of Guernsey Portfolio**

- 11.1 The Policy & Resources Committee approved changes to the governance structure associated with the management and co-ordination of programmes and projects delivered by the Public Service in order to discharge Resolution 9(c) of the Billet d'État IX of 20<sup>th</sup> May, 2019 with respect to revisions of Rule 45 (1).<sup>12</sup>
- 11.2 These changes acknowledged that viewed in its simplest form, the Public Service is only ever engaged in two types of activity:
- Operational activity - supporting the machinery of government and the operation and management of public services; and
  - Change related activity - changing the internal organisational

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<sup>12</sup> The Rules of Procedures of the States of Deliberation and their Committees

environment and/or changing the external environment in which it operates.

- 11.3 Whilst operational activity is continuous and delivered through permanent structures, change is delivered through specifically commissioned, time-limited programmes and projects.
- 11.4 As well as programmes of organisational change or service improvement and infrastructure projects, change related activity includes supporting the co-ordination and development of new or updated Government policy, strategy and legislation. Change activity should be focused on and prioritised against delivery of the objectives of the Future Guernsey Plan.
- 11.5 The totality of the States investment in change activities can be described as the States Portfolio which can be viewed through three connected but distinct 'lenses'.
- The States investment in the development of Government policy, strategy and legislation, required to deliver the Future Guernsey Plan;
  - The States investment in Service Improvement and organisational change, collectively known as Public Service Reform; and
  - The States investment in critical island infrastructure, known as the Capital Portfolio.
- 11.6 Viewing the totality of the States' investment in change as a single portfolio allows the States of Deliberation to ensure it is investing to get the best possible return with the resources available, in terms of the delivery of the Future Guernsey Plan.
- 11.7 This approach is not concerned with the detailed management of individual projects or programmes, as this is the role of the sponsoring committee or service area and Senior Responsible Officer (SRO). Rather, it approaches the management of such initiatives from a strategic perspective with the specific aim of optimising the return the States achieve from their overall investment in change, in terms of the delivery of their strategic priorities and objectives.
- 11.8 Establishing, transitioning to and embedding the revised governance framework in full (policy and strategy, capital investment in critical island infrastructure and Public Service Reform) was projected to take at least 12 to 18 months to complete. Work has progressed broadly in line with these timelines, with the initial focus on improving the visibility and understanding of initiatives, programmes and projects within each of the three elements of the Portfolio. This work has now laid the foundation for improved reporting and decision support at a Portfolio level. The first meeting in accordance with Rule 45(1) was chaired by Policy & Resources in late February, 2020.
- 11.9 A more complete picture is helping to highlight resource limitations for the delivery of the Portfolio. It also clearly highlights the sheer number of extant



Resolutions, coupled with a significant number of pending policy letters intended for submission this term, some of which will entail considerable legislative drafting and resource requirements. This is in addition to existing agreed and prioritised legislative requirements which are regularly reviewed by the Committee.

- 11.10 Since April, 2019, the Policy & Resources Committee has been working to increase visibility across the organisation of the extant Resolutions and legislative drafting requirements of the States.
- 11.11 As at 4<sup>th</sup> March, 2020, there were 529 Outstanding Resolutions listed across all Committees, with some dating from 2000. Of those Outstanding Resolutions 303 are categorised as being aligned to the Plan.
- 11.12 As at 3<sup>rd</sup> March, 2020, there were 77 different pieces of legislation that required legislative drafting support. The level of support varies depending on the nature of the Resolution, however 19 (25%) have been identified by the Policy & Resources Committee to be 'High' priority and two (3%) to be 'Medium' priority.
- 11.13 In terms of scale, it demonstrates the ambition of the States of Deliberation and individual committees. It also highlights the difficulties inherent in prioritising initiatives through the Future Guernsey Plan and tension between the Future Guernsey Plan, Committee Policy Plans and extant Resolutions. This results in a dis-connect between the ambition and the available resources across the civil service and in particular some specific roles and capabilities.
- 11.14 Without effective prioritisation, the requirement to balance resources across policy development, change and transformation, major capital investment and delivering business as usual is an almost impossible challenge, and ultimately leads to frustration when the end of a political term is reached and many initiatives remain undelivered. At this stage of the political term it is acknowledged that the challenge surrounding prioritisation cannot be resolved in time to address this.
- 11.15 However the Policy & Resources Committee is developing prioritisation proposals for its successor Committee, to consider which build on the success it has achieved in developing and embedding cross-committee procedures, to prioritise the drafting of legislation and discharge of extant Resolutions. In doing so the Committee is cognisant of the need to additionally balance the priorities across business as usual and the delivery of Public Service Reform, while overseeing the progression of policy development Areas of Focus in the Future Guernsey Plan.
- 11.16 In the longer term it is recommended that consideration should be given to how the approach to the development of the Future Guernsey Plan might be amended to ensure that:

- The expectations of the States of Deliberation are managed appropriately;
- Prioritisation is improved; and
- Resource implications are more clearly articulated and understood at an early stage.

## **12 The next phase – 2021-2024**

- 12.1 The Policy & Resources Committee will revisit the overall policy objectives for the long term and specifically make recommendations for the medium term (four years) that will be delivered by the new Assembly.
- 12.2 The States will debate the recommendations of the Policy & Resources Committee and make Resolutions on their overall policy objectives. Each Committee (including Authorities, Boards and other States' bodies) will develop a policy plan setting out its policies and priorities for that current States' term to contribute to the agreed States' objectives in Phase 1; to fulfil its purpose and policy responsibilities which are set out in its mandate; and to address outstanding States' Resolutions which inform Phase 2 no later than June, 2021.
- 12.3 Through the next iteration of the Future Guernsey Plan it is intended that the following improvements in policy prioritisation, outcome measures and resource planning will be designed to address delays in progress.

### Policy prioritisation

- 12.4 A policy development prioritisation framework will be developed to enable States committees, and the States of Deliberation, to prioritise policy development according to the extent to which the outcomes of that policy would help the States achieve their 20-year vision. This framework must support Committees to demonstrate how their policy recommendations will enable the States to maintain and enhance wellbeing, core to the Future Guernsey Plan's vision, with reference to agreed measures of wellbeing (OECD Better Life Index).

### Outcome measures

- 12.5 The work across the States of Guernsey on measuring performance against desired outcomes will continue to be enhanced and aligned to support and enable the effective prioritisation of policy and operational matters; and monitor their progress. To ensure that the policy, strategy and legislation developed are focused on delivering against the strategic vision, it will be important to ensure that suitable performance measures are selected when the States are considering the Propositions and supporting policy letters of the next Assembly.

For example, measuring the impact on the wellbeing of the population as well the impact on the gross added value to the Island or measuring the effect of changes on service users' satisfaction as well as project budgets and timelines.

#### Resource planning and allocation

- 12.6 Greater visibility of the work streams that underpin the areas of focus, and exploiting their interdependencies to expedite outcomes, will be supported by the management tools now under development. This clarity of prioritisation and linkage to policy development will enhance the understanding of the resource requirements and their potential impact.

### **13 Compliance with Rule 4**

- 13.1 Rule 4 of the Rules of Procedure of the States of Deliberation and their Committees sets out the information which must be included in, or appended to, motions laid before the States.

- 13.2 In accordance with Rule 4(1), the Propositions have been submitted to Her Majesty's Procureur for advice on any legal or constitutional implications. She has advised that there is no reason in law why the Propositions should not to be put into effect.

- 13.3 In accordance with Rule 4(4) of the Rules of Procedure of the States of Deliberation and their Committees, it is confirmed that the Propositions above have the unanimous support of the Committee.

- 13.4 In accordance with Rule 4(5), the Propositions relate to the duties of the Committee as set out in section (a) of its mandate.

- 13.5 Also in accordance with Rule 4(5), the Policy & Resources Committee consulted:

Committee *for* Economic Development  
Committee *for* Education, Sport & Culture  
Committee *for* Employment & Social Security  
Committee *for the* Environment & Infrastructure  
Committee *for* Health & Social Care  
Committee *for* Home Affairs  
Development & Planning Authority  
Overseas Aid & Development Commission  
Scrutiny Management Committee  
States' Assembly & Constitution Committee  
States' Trading Supervisory Board

Yours faithfully

G A St Pier  
President

L S Trott  
Vice-President

J P Le Tocq  
T J Stephens  
A H Brouard

**States' Outstanding extant Resolutions as at 3<sup>rd</sup> March, 2020**

The below table shows a summary of the Outstanding extant Resolutions by the policy letter title. Further details are available on [www.gov.gg/statesresolutions](http://www.gov.gg/statesresolutions)

<b>Year</b>	<b>Billet d'État</b>	<b>Policy Letter Title</b>	<b>Number of Resolutions</b>
2020	I	<b>Charities and other Non Profit Organisations</b>	1
2020	I	<b>BBC over-75 TV Licence Scheme: extending relevant parts of The Communications Act 2003</b>	1
2020	I	<b>The Review of the Fiscal Policy Framework and fiscal pressures</b>	2
2020	I	<b>Review of the funding of drugs, treatments and devices</b>	3
2020	I	<b>The Withdrawal Agreement between the United Kingdom and European Union – Implications for The Bailiwick of Guernsey</b>	3
2020	I	<b>Police support for Alderney and Sark</b>	2
2020	IV	<b>The on-Island Integrated Transport Strategy – first periodic review</b>	1
2020	IV	<b>Reform of the Matrimonial Causes Law</b>	3
2020	IV	<b>Secondary Pensions: detailed proposals for the introduction of automatic enrolment into private pensions and the establishment of "Your Island Pension"</b>	18
2019	I	<b>Alderney Airport Runway Rehabilitation</b>	1
2019	II	<b>Extending The Bailiwick of Guernsey's Territorial Seas</b>	4
2019	III	<b>Reform of the Marriage Law</b>	2
2019	III	<b>States of Alderney - new Single Property Tax</b>	2
2019	III	<b>Health and Care Regulation in The Bailiwick</b>	5
2019	IV	<b>Extending The United Kingdom's membership of the World Trade Organization</b>	1

<b>Year</b>	<b>Billet d'État</b>	<b>Policy Letter Title</b>	<b>Number of Resolutions</b>
2019	V	<b>Hospital Modernisation Programme</b>	2
2019	V	<b>Insurance - Statutory Discount Rate and other matters</b>	2
2019	V	<b>Treatment of persons born or first resident as minors in Alderney or Sark under The Population Management (Guernsey) Law, 2016</b>	1
2019	VII	<b>Preparation for a New Electoral Roll</b>	3
2019	VII	<b>Review of Strategic Air and Sea Links Infrastructure</b>	1
2019	VII	<b>General Election 2020</b>	1
2019	VIII	<b>Requête - St Peter Port Harbour Development</b>	4
2019	IX	<b>Policy &amp; Resource Plan - 2018 Review and 2019 Update</b>	15
2019	X	<b>Reform of Health Care Funding</b>	17
2019	XIII	<b>Guernsey Prison- Independent Monitoring Panel - 2018 Annual Report</b>	1
2019	XIII	<b>Proposed Amendments to the Guernsey Competition and Regulatory Authority Ordinance, 2012 and re-appointment of the Chairman</b>	1
2019	XIII	<b>Taxation of Motoring</b>	2
2019	XIII	<b>Our Place In The World: the next ten years of Overseas Aid in Guernsey</b>	4
2019	XIII	<b>Island Development Plan</b>	6
2019	XVI	<b>Transforming Education Programme &amp; putting into effect the policy decisions made by The States in 2018</b>	7
2019	XVIII	<b>Amendments to Companies Law</b>	1
2019	XVIII	<b>Independent States Members' Pay Review Panel – Final Report</b>	1
2019	XX	<b>Contributory Benefit and Contribution Rates for 2020</b>	2

<b>Year</b>	<b>Billet d'État</b>	<b>Policy Letter Title</b>	<b>Number of Resolutions</b>
2019	XX	<b>General Pilotage – Retirement age of general pilots</b>	2
2019	XXI	<b>The States of Guernsey Annual Budget for 2020</b>	5
2019	XXI	<b>Non-Contributory Benefit Rates for 2020</b>	2
2019	XXIII	<b>Development of the business case and cost benefit analysis for The Extension Of The Runway At Guernsey Airport to create a 1,700 metre runway</b>	1
2019	XXIV	<b>General Election 2020 - Second Policy Letter</b>	3
2019	XXIV	<b>International Tax Measures – miscellaneous amendments to The Income Tax Legislation</b>	12
2018	II	<b>The Future Structure of Secondary and Post-16 Education in The Bailiwick</b>	12
2018	V	<b>Land for industrial and storage uses</b>	2
2018	V	<b>Longer Working Lives</b>	2
2018	X	<b>Bus Fleet Replacement Programme – Phases 2 and 3</b>	1
2018	XI	<b>The Transformation of Income Tax and Contributions Services</b>	8
2018	XI	<b>Miscellaneous amendments to The Taxation of Real Property (Guernsey and Alderney) Ordinance, 2007</b>	1
2018	XII	<b>Requête - Assisted Dying</b>	1
2018	XV	<b>Policy &amp; Resource Plan 2017 Review and 2018 Update</b>	5
2018	XVI	<b>Replacement Cremator and emissions equipment</b>	1
2018	XVI	<b>Optimising the use of The States Land and Property Portfolio</b>	1
2018	XIX	<b>Review of Air Transport Licensing</b>	2
2018	XIX	<b>Local Market Housing Review and development of Future Housing Strategy</b>	1

<b>Year</b>	<b>Billet d'État</b>	<b>Policy Letter Title</b>	<b>Number of Resolutions</b>
2018	XXIII	<b>Amendments to The Banking Deposit Compensation Scheme (Bailiwick of Guernsey) Ordinance, 2018</b>	1
2018	XXIII	<b>Non-Contributory Benefit Rates for 2019</b>	3
2018	XXIII	<b>Amendments to The Rules of Procedure of the States of Deliberation and their Committees</b>	3
2018	XXIV	<b>Amendments to the Banking Deposit Compensation Scheme (Bailiwick Of Guernsey) Ordinance, 2019</b>	1
2018	XXIV	<b>The States of Guernsey Annual Budget for 2019</b>	7
2018	XXV	<b>Proposed Amendments to the Banking Deposit Compensation Scheme (Bailiwick Of Guernsey) Ordinance, 2008</b>	1
2018	XXV	<b>Organ Donation- Introduction of a 'soft' opt out scheme</b>	1
2018	XXVII	<b>Amendments to the Population Management Law – resident permits and certificates</b>	2
2018	XXVII	<b>Road Transport and driving licence implications for driving in Europe Post-Brexit and other related matters</b>	1
2018	XXVII	<b>Reform of the Marriage Law</b>	2
2017	V	<b>Implementation of the Solid Waste Strategy</b>	1
2017	VII	<b>The Population Management (Guernsey) Law, 2016 (Commencement) Ordinance, 2017</b>	1
2017	XI	<b>A Regulatory Framework for pension schemes and their providers</b>	1
2017	XX	<b>The States of Guernsey Annual Budget for 2018</b>	2
2017	XXIII	<b>Amendments to Population Management Law</b>	1
2017	XXIV	<b>A Partnership of Purpose: Transforming Bailiwick Health and Care</b>	11
2017	XXIV	<b>The Inert Waste Strategy and a proposal for a new facility for managing Residual Inert Waste</b>	4



<b>Year</b>	<b>Billet d'État</b>	<b>Policy Letter Title</b>	<b>Number of Resolutions</b>
2016	I	<b>Proposal to achieve greater autonomy in the legislative process and International Affairs for Guernsey</b>	1
2016	III	<b>The Review of the financial relationship between Guernsey and Alderney</b>	6
2016	III	<b>The Supported Living &amp; Ageing Well Strategy</b>	4
2016	III	<b>Children and Young People's Plan 2016-2022</b>	2
2016	III	<b>Establishing a central register of contact details for individuals and organisations</b>	2
2016	III	<b>Legislative changes relating to the future oversight of Guernsey Electricity Limited and Guernsey Post Limited</b>	3
2016	III	<b>Proposals regarding Guernsey's Future Ambulance Service</b>	1
2016	III	<b>Trading Standards Legislation</b>	1
2016	IV	<b>The Scrutiny Management Committee: Powers, Resources and Impartiality</b>	5
2016	VI	<b>Guernsey and Alderney Healthy Weight Strategy 2016-2023</b>	4
2016	VII	<b>Comprehensive Social Welfare Benefits Model</b>	1
2016	VII	<b>Capacity Law</b>	1
2016	VII	<b>Review of Adoption Law – Second Phase</b>	1
2016	VII	<b>Financial measures to mitigate the likely adverse consequences upon existing milk distributors of the Dairy being free to sell milk and milk product to any commercial customer</b>	1
2016	XXIII	<b>Extradition Legislation</b>	1
2016	XXVI	<b>The States of Guernsey Annual Budget for 2017</b>	1
2016	XXVII	<b>The Island Development Plan – Development &amp; Planning Authority Recommendations</b>	2
2015	IV	<b>Planning a Sustainable Future - The Personal Tax, Pensions and Benefits Review</b>	12

<b>Year</b>	<b>Billet d'État</b>	<b>Policy Letter Title</b>	<b>Number of Resolutions</b>
2015	VI	<b>Alternative framework for the oversight of Guernsey Electricity Limited and Guernsey Post Limited</b>	3
2015	VI	<b>The Planning Panel - re-election of Panel members and amendments to the terms of office for Panel members</b>	1
2015	VII	<b>Guernsey and Alderney Tobacco Control Strategy 2015-2020</b>	4
2015	VII	<b>Housing (Control of Occupation) (Guernsey) Law, 1994 - variation to the housing register</b>	2
2015	IX	<b>Utilities - laying and maintaining services in private land</b>	2
2015	XI	<b>Future of Law Enforcement: Proposal to rescind resolutions relating to a Law Enforcement Commission and to adopt alternative arrangements</b>	1
2015	XI	<b>Review of Adoption Law</b>	1
2015	XIV	<b>Maternity Leave, Maternity Support Leave and Adoption Leave</b>	2
2015	XIV	<b>Strategic Roll On/Roll Off Ferry Services</b>	2
2015	XIV	<b>Minor constitutional changes to the Housing Appeals Tribunal and Appointment of Members to the Housing Appeals Panel</b>	1
2015	XIV	<b>Review of Gambling Legislation: Supplemental</b>	2
2015	XIV	<b>Housing (Control of Occupation) (Guernsey) Law, 1994 - variation to the housing register</b>	2
2015	XIV	<b>Integrated Transport Strategy - Funding</b>	1
2015	XIV	<b>Residential On-Street Parking Scheme</b>	1
2015	XVI	<b>Purchase of a Replacement Fisheries Patrol Vessel</b>	4
2015	XVIII	<b>Revision of the Financial Supervisory and Regulatory Laws</b>	1
2015	XVIII	<b>Benefit and Contribution Rates for 2016</b>	3

<b>Year</b>	<b>Billet d'État</b>	<b>Policy Letter Title</b>	<b>Number of Resolutions</b>
2015	XVIII	<b>Standardising the measurement of Guernsey's Gross Domestic Product</b>	2
2015	XIX	<b>Annual Budget of the States for 2016</b>	1
2015	XX	<b>Biodiversity Strategy</b>	1
2015	XX	<b>Update on the Disability &amp; Inclusion Strategy</b>	1
2015	XX	<b>Amendment Of The Financial Services (Bailiwick Of Guernsey) Law, 1987 (Joint Report With Policy Council)</b>	1
2015	XX	<b>Miscellaneous amendments to Income Tax Legislation</b>	1
2015	XXI	<b>States' Review Committee: The organisation of States' Affairs - Third Policy Letter</b>	1
2015	XXIII	<b>Domestic Abuse Strategy</b>	2
2014	II	<b>Implementation of the Solid Waste Strategy</b>	1
2014	III	<b>Amendments to the Loi Relative À La Santé Publique, 1934 and Public Health Ordinance, 1936 And drafting of a Public Health (Enabling Provisions) Law</b>	3
2014	IX	<b>114th Medical Officer of Health Annual Report</b>	1
2014	IX	<b>Guernsey Integrated on Island Transport Strategy</b>	8
2014	XII	<b>Introduction of Responsible Officer Legislation to strengthen medical practitioner quality assurance</b>	1
2014	XII	<b>Proposed Amendments to the Fire Services (Guernsey) Law, 1989,</b>	1
2014	XII	<b>Guernsey Electricity Supply - Future Strategy</b>	1
2014	XVI	<b>Guernsey Electricity - Guernsey-Jersey Cable Project</b>	2
2014	XVI	<b>Housing (Control of Occupation) (Guernsey) Law, 1994 - variation to the housing register</b>	2
2014	XX	<b>Channel Islands Lottery - Administration arrangements, Forfeited Prize Account and 2011 - 2013 Reports and Accounts</b>	2

<b>Year</b>	<b>Billet d'État</b>	<b>Policy Letter Title</b>	<b>Number of Resolutions</b>
2014	XXI	<b>Benefit and Contribution Rates for 2015</b>	1
2014	XXVI	<b>Register of Driving Instructors</b>	1
2014	XXVI	<b>The Airport and Economic Development in Alderney</b>	5
2013	XI	<b>Managing the size and make up of the Island's population</b>	8
2013	XII	<b>Traffic and Transport Services - Fees and Charges</b>	3
2013	XV	<b>Developing a Government Service Plan</b>	2
2013	XV	<b>Today's Learners Tomorrow's World – The Education Board's Vision</b>	2
2013	XV	<b>Terrorist Financing, Money Laundering and Weapons Proliferation Financing</b>	1
2013	XV	<b>Criminal Justice Legislation: International Criminal Court</b>	1
2013	XV	<b>Housing (Control of Occupation) (Guernsey) Law, 1994: variation to the housing register</b>	1
2013	XV	<b>Coastal Defence Flood Studies</b>	2
2013	XV	<b>Clarification of the responsibility and accountability of the Civil Service to the Political Boards and Committees</b>	1
2013	XX	<b>Transforming Primary Education</b>	3
2013	XXII	<b>Disability &amp; Inclusion Strategy</b>	4
2013	XXIV	<b>Early Years Service - Ordinance for Registration of Childminders and Day Care Providers Under The Children (Guernsey And Alderney) Law, 2008</b>	11
2012	III	<b>Use of radiology and pathology services and hospital facilities</b>	1
2012	III	<b>Future Business Environment for Guernsey Water and Guernsey Wastewater</b>	4
2012	IV	<b>EU Batteries Directive</b>	2
2012	V	<b>Improving Governance in The States of Guernsey</b>	16

**APPENDIX 1**

<b>Year</b>	<b>Billet d'État</b>	<b>Policy Letter Title</b>	<b>Number of Resolutions</b>
2012	V	<b>Future Business Environment for Guernsey Airport</b>	2
2012	V	<b>Future Business Environment for Guernsey Harbours</b>	3
2012	XI	<b>Developing a Criminal Justice Strategy and a report from The Criminal Justice Working Group</b>	1
2012	XXI	<b>Environmental Pollution (Guernsey) Law, 2004 Part IV - Water Pollution</b>	8
2012	XXIII	<b>Tobacco Control Strategy 2009-2013: Re-Introduction of tobacco licences and tobacco controls</b>	1
2011	IV	<b>Governance in The States of Guernsey</b>	1
2011	XIII	<b>Sexual Offences Legislation</b>	5
2010	VI	<b>Limited Partnership Review</b>	1
2010	XXIII	<b>The Tobacco Products (Enabling Provisions) (Guernsey) Law, 2010</b>	1
2010	XXIV	<b>Recycling Targets</b>	1
2009	XXIV	<b>Employment Vetting</b>	1
2009	XXIV	<b>Amendments to the Income Tax (Guernsey) Law, 1975</b>	1
2008	XI	<b>Amendment to the Criminal Justice (Miscellaneous Provisions) (Bailiwick of Guernsey) Law, 2006</b>	2
2008	XI	<b>Sale of knives</b>	1
2008	XII	<b>Fire Services Legislation</b>	2
2007	I	<b>Waste Disposal Plan</b>	4
2007	XX	<b>Legal Aid</b>	1
2007	XXII	<b>Review of Gambling Legislation</b>	18
2007	XXVI	<b>Vehicle Exhaust Noise</b>	1
2006	VII	<b>Road Transport Strategy</b>	3

**APPENDIX 1**

<b>Year</b>	<b>Billet d'État</b>	<b>Policy Letter Title</b>	<b>Number of Resolutions</b>
2006	VIII	<b>Plant Health and The Control of Plants and Plant Pests Legislation</b>	1
2006	XIII	<b>International Convention on Liability and Compensation for damage in connection with The Carriage Of Hazardous And Noxious Substances By Sea 1996 (The HNS Convention)</b>	2
2006	XVIII	<b>Terrorism Legislation</b>	2
2005	IV	<b>Review of Parole Legislation</b>	2
2005	VI	<b>Legal Aid</b>	1
2005	IX	<b>Housing (Control of Occupation) (Guernsey) Law, 1994 - variation to the housing register</b>	2
2005	XV	<b>International Conventions Affecting Children, Young People and their Families</b>	2
2003	III	<b>Review of Animal Welfare Legislation</b>	1
2003	XXV	<b>Biotechnology and Genetically Modified Organisms</b>	1
2002	XXIII	<b>Bailiwick Intellectual Property Legislation and economic opportunities in a knowledge economy</b>	3
2001	XXIV	<b>Criminal Injuries Compensation Scheme</b>	1
2000	VIII	<b>Fair Trading</b>	1
2000	XX	<b>Review of Public Transport Legislation</b>	5

**EXTANT STATES' RESOLUTIONS RECOMMENDED FOR RECISSION OR TRANSFER****States' Resolutions recommended for Rescission**

<b>Billet &amp; Title</b>	<a href="#">Billet d'État XV of 2013 - Developing a Government Service Plan</a>
<b>Resolution Sponsor</b>	Policy & Resources Committee
<b>Resolution</b>	1. To approve the development of a Government Service Plan as the corporate mechanism for allocating the resources available to the States in accordance with States strategic aims and objectives and agreed priorities.
<b>Reason for Rescission</b>	The States of Guernsey now manage their business through the Future Guernsey Plan and the Public Service Reform Framework.

<b>Billet &amp; Title</b>	<a href="#">Billet d'État XV of 2013 - Developing a Government Service Plan</a>
<b>Resolution Sponsor</b>	Policy & Resources Committee
<b>Resolution</b>	5. To endorse the principle that in future a direct link, or golden thread, will be established ensuring that Departmental Business Plans deliver the corporate priorities and services agreed as part of the Government Service Plan.
<b>Reason for Rescission</b>	The States of Guernsey now manage their business through the Future Guernsey Plan and the Public Service Reform Framework.

<b>Billet &amp; Title</b>	<a href="#">Billet d'État V, of 2012 - Improving Governance in the States of Guernsey</a>
<b>Resolution Sponsor</b>	Policy & Resources Committee
<b>Resolution</b>	1gg. The Treasury and Resources Department should publish guidance criteria to enable States Departments and Committees and States Members to understand better when it might be appropriate to engage the private or third sector and alternatively when it might be better to develop capacity internally to assist in the development of policy or the delivery of services
<b>Reason for Rescission</b>	The organisation is driving through a new way of working in collaboration with Committee policy leads in support of the Future Guernsey Plan which will embed a policy development process, so this Resolution has been superseded.

<b>Billet &amp; Title</b>	<a href="#">Billet d'État V, of 2012 - Improving Governance in the States of Guernsey</a>
<b>Resolution Sponsor</b>	Policy & Resources Committee
<b>Resolution</b>	1ss. The Policy Council should develop a Code of Operational Governance, under the leadership of the Chief Executive of the States of Guernsey, which would outline what is expected across the public sector. The Code should sit beneath the States Strategic Plan and enable the public sector to achieve the objectives and policies determined by elected politicians.
<b>Reason for Rescission</b>	The context has fundamentally changed since 2012, following the machinery of government changes made in 2016, the ongoing process of Public Sector Reform, and the prioritisation of work under the Future Guernsey Plan, which succeeded the former States' Strategic Plan. As a result, it will be necessary to put in place new forms of governance at an appropriate juncture. This Resolution is therefore no longer relevant in its current form and should be rescinded.

<b>Billet &amp; Title</b>	<a href="#">Billet d'État V, of 2012 - Improving Governance in the States of Guernsey</a>
<b>Resolution Sponsor</b>	Policy & Resources Committee
<b>Resolution</b>	2. That the Policy Council, after consultation with States Departments and Committees, present to the States of Deliberation by no later than January, 2013 a plan of action for the implementation of the recommendations approved above.
<b>Reason for Rescission</b>	The context has fundamentally changed since 2012, following the machinery of government changes made in 2016, the ongoing process of Public Sector Reform, and the prioritisation of work under the Future Guernsey Plan, which succeeded the former States' Strategic Plan. As a result, it will be necessary to put in place new forms of governance at an appropriate juncture.



## **APPENDIX 2**

<b>Billet &amp; Title</b>	<a href="#">Billet d'État XXII of 2007 – Review of Gambling Legislation</a>
<b>Resolution Sponsor</b>	Committee <i>for</i> Home Affairs
<b>Resolution</b>	1h. To approve the Department's proposals as set out in that Report. CROWN & ANCHOR: (Recommendation 8 of that Report) Require the licensed operators to provide an annual police check certificate.
<b>Reason for Rescission</b>	It is already a legal requirement for Crown & Anchor Operator licences to be renewed annually. The Chief of Police is required to consider the suitability of the applicant for renewal and report to the Committee. The Committee considered that the Police reports currently produced for applications for new and renewal of Crown and Anchor operator licences fulfils the 2007 States resolution for an annual police check, and as such that the 2007 resolution should be rescinded. The Committee consulted with the Police on this matter and has the support of the Head of Law Enforcement.

<b>Billet &amp; Title</b>	<a href="#">Billet d'État XXII of 2007 – Review of Gambling Legislation</a>
<b>Resolution Sponsor</b>	Committee <i>for</i> Home Affairs
<b>Resolution</b>	1u. To approve the Department's proposals as set out in that Report: FIXED ODDS BETTING: (Recommendation 21 of that Report) - Agree, in principle, to the introduction of FOBTs subject to consideration of the potential negative impacts of such terminals on gambling addiction. Introduce separate codes of practice and other regulatory practise as may be necessary to ensure that the terminals are not misused. To restrict the terminals to licensed bookmakers' offices and to permit a maximum of two terminals to any one bookmaker's office. See justification for resolution <a href="#">Billet d'État XIV Volume 2 of 2015 – Review of Gambling Legislation – Supplemental States Report</a>
<b>Reason for Rescission</b>	The Committee is of the view that the introduction of FOBTs does not fit well within Future Guernsey Plan theme of 'Our Quality of Life' nor does it link with the Partnership of Purpose. The potentially addictive nature of FOBTs was highlighted in 2018 in the findings of the Department for Digital, Culture, Media & Sport findings into changes to gaming machine and social responsibility measures. The Committee consulted with the Committee <i>for</i> Health & Social Care (CfHSC) on the proposed rescission of resolutions relating to the introduction of FOBTs and the CfHSC supports the Committee's proposal that these extant resolutions be rescinded.

<b>Billet &amp; Title</b>	<a href="#">Billet d'État XXII of 2007 – Review of Gambling Legislation</a>
<b>Resolution Sponsor</b>	Committee <i>for</i> Home Affairs
<b>Resolution</b>	To approve the Department's proposals as set out in Report: FIXED ODDS BETTING (Recommendation 22 of that Report) - As set out in Recommendation 21 above if such terminals are permitted there would need to be a robust regulatory regime. It is recommended that the minimum fee should be £1,000 per terminal per annum, subject to the qualifications set out above, plus the costs of any additional regulatory regime as may be required. See justification for resolution <a href="#">Billet d'État XIV Volume 2 of 2015 – Review of Gambling Legislation – Supplemental States Report</a>
<b>Reason for Rescission</b>	The Committee is of the view that the introduction of FOBTs does not fit well within Future Guernsey Plan theme of 'Our Quality of Life' nor does it link with the Partnership of Purpose. The potentially addictive nature of FOBTs was highlighted in 2018 in the findings of the Department for Digital, Culture, Media & Sport findings into changes to gaming machine and social responsibility measures. The Committee consulted with the Committee <i>for</i> Health & Social Care (CfHSC) on the proposed rescission of resolutions relating to the introduction of FOBTs and the CfHSC supports the Committee's proposal that these extant resolutions be rescinded.

<b>Billet &amp; Title</b>	<a href="#">Billet d'État XIV Volume 2 of 2015 – Review of Gambling Legislation – Supplemental States Report</a>
<b>Resolution Sponsor</b>	Committee <i>for</i> Home Affairs
<b>Resolution</b>	18. To note the Home Department's update in respect to Fixed Odds Betting Terminals (FOBTs) and to reaffirm paragraphs 21 and 22 of the 2007 Report which agreed the introduction of FOBTs locally in licensed bookmakers' offices and the introduction of separate codes of practice and other regulatory practices as may be necessary to ensure that the terminals are not misused.
<b>Reason for Rescission</b>	The Committee is of the view that the introduction of FOBTs does not fit well within Future Guernsey Plan theme of 'Our Quality of Life' nor does it link with the Partnership of Purpose. The potentially addictive nature of FOBTs was highlighted in 2018 in the findings of the Department for Digital, Culture, Media & Sport findings into changes to gaming machine and social responsibility measures. The Committee consulted with the Committee <i>for</i> Health & Social Care (CfHSC) on the proposed rescission of resolutions relating to the introduction of FOBTs and the CfHSC supports the Committee's proposal that these extant resolutions be rescinded.

<b>Billet &amp; Title</b>	<a href="#">Billet d'État I, of 2007 - Waste Disposal Plan</a>
<b>Resolution Sponsor</b>	States' Trading Supervisory Board
<b>Resolution</b>	10. To direct the Public Services Department to seek planning approval and ensure provision of, at the appropriate opportunity, In vessel composting, Civic Amenity sites, Scrap Metal facilities, Dry Materials Recovery Facilities and Mixed Waste Materials Recovery Facilities.
<b>Reason for Rescission</b>	These Resolutions have been superseded by the more recent Waste Strategy Implementation Programme.

<b>Billet &amp; Title</b>	<a href="#">Billet d'État I, of 2007 - Waste Disposal Plan</a>
<b>Resolution Sponsor</b>	States' Trading Supervisory Board
<b>Resolution</b>	11. To direct the Public Services Department to report back to the States, in due course, on the delivery, where reasonably practical, of interim waste processing facilities and services as set out in section 17.
<b>Reason for Rescission</b>	These Resolutions have been superseded by the more recent Waste Strategy Implementation Programme.

<b>Billet &amp; Title</b>	<a href="#">Billet d'État I, of 2007 - Waste Disposal Plan</a>
<b>Resolution Sponsor</b>	States' Trading Supervisory Board
<b>Resolution</b>	14. To direct the Environment Department to investigate and report back on mechanisms and legislation to regulate waste movements hence guaranteeing a waste stream to the facilities as set out in paragraph 14.12
<b>Reason for Rescission</b>	These Resolutions have been superseded by the more recent Waste Strategy Implementation Programme.

<b>Billet &amp; Title</b>	<a href="#">Billet d'État I, of 2007 - Waste Disposal Plan</a>
<b>Resolution Sponsor</b>	States' Trading Supervisory Board
<b>Resolution</b>	15. To direct the Director of Environmental Health and Pollution, as a matter of urgency, to advise the Environment Department as to additional legislative provisions required under the Environmental Pollution (Guernsey) Law, 2004 to give effect to the above decisions.
<b>Reason for Rescission</b>	These Resolutions have been superseded by the more recent Waste Strategy Implementation Programme.

<b>Billet &amp; Title</b>	<a href="#">Billet d'État V, of 2012 - Future Business Environment for Guernsey Airport</a>
<b>Resolution Sponsor</b>	States' Trading Supervisory Board
<b>Resolution</b>	2. To agree that the Public Services Department should undertake appropriate consultation prior to returning to the States with a report proposing clear objectives for the Airport, and at the same time proposing any appropriate and practical improvements that might be made to the current Airport governance and policy arrangements.
<b>Reason for Rescission</b>	This resolution has been superseded by the States' decision to establish the STSB, which is mandated to "...ensure the efficient management, operation and maintenance of any States' unincorporated trading concerns and commercial interests" including Guernsey Airport. Since 2016, the STSB has established new systems of governance for Guernsey Airport that are designed to ensure that the right balance is struck between commercial considerations and the wider interests and needs of the Island's community, whilst instilling a clear strategic direction for the business through the development of business plans, with performance goals focused on improving outcomes in areas such as public value, service excellence, efficiency and customer satisfaction.

<b>Billet &amp; Title</b>	<a href="#">Billet d'État V, of 2012 - Future Business Environment for Guernsey Airport</a>
<b>Resolution Sponsor</b>	States' Trading Supervisory Board
<b>Resolution</b>	4. To agree that the Public Services Department should conduct further detailed investigation into, and consultation concerning, the option to establish a Guernsey Airport States Trading Company, before reporting back to the States, such investigation and consultation to include (but not be limited to): a) financial issues (costs, savings etc.); b) consultation with employees likely to be affected by any proposals to create a States Trading Company; c) consultation with service users; d) potential for the shareholder role; e) potential regulation mechanism; f) legislative implications.

<b>Reason for Rescission</b>	This resolution has been superseded by the States' decision to establish the STSB, which is mandated to "...ensure the efficient management, operation and maintenance of any States' unincorporated trading concerns and commercial interests" including Guernsey Airport. Since 2016, the STSB has established new systems of governance for Guernsey Airport that are designed to ensure that the right balance is struck between commercial considerations and the wider interests and needs of the Island's community, whilst instilling a clear strategic direction for the business through the development of business plans, with performance goals focused on improving outcomes in areas such as public value, service excellence, efficiency and customer satisfaction.
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<b>Billet &amp; Title</b>	<a href="#">Billet d'État V, of 2012 - Future Business Environment For Guernsey Harbours</a>
<b>Resolution Sponsor</b>	States' Trading Supervisory Board
<b>Resolution</b>	2. To agree that the Public Services Department should undertake appropriate consultation prior to returning to the States with a report proposing clear objectives that should apply to the operation of the Harbours, regardless of any future commercial re- structuring.
<b>Reason for Rescission</b>	This resolution has been superseded by the States' decision to establish the STSB, which is mandated to "...ensure the efficient management, operation and maintenance of any States' unincorporated trading concerns and commercial interests" including Guernsey Harbours. Since 2016, the STSB has established new systems of governance for Guernsey Harbours that are designed to ensure that the right balance is struck between commercial considerations and the wider interests and needs of the Island's community, whilst instilling a clear strategic direction for the business through the development of business plans, with performance goals focused on improving outcomes in areas such as public value, service excellence, efficiency and customer satisfaction.

<b>Billet &amp; Title</b>	<a href="#">Billet d'État V, of 2012 - Future Business Environment For Guernsey Harbours</a>
<b>Resolution Sponsor</b>	States' Trading Supervisory Board
<b>Resolution</b>	<p>4. To agree that the Public Services Department should conduct more detailed investigation into, and consultation concerning, the option of establishing a Guernsey Harbours States Trading Company, before reporting back to the States, such investigation and consultation to include (but not be limited to):</p> <ul style="list-style-type: none"><li>a) financial issues (costs, savings etc.);</li><li>b) consultation with employees likely to be affected by any proposals to create a States Trading Company;</li><li>c) consultation with service users;</li><li>d) potential for the shareholder role;</li><li>e) potential regulation mechanism;</li><li>f) legislative implications.</li></ul>
<b>Reason for Rescission</b>	<p>This resolution has been superseded by the States' decision to establish the STSB, which is mandated to "...ensure the efficient management, operation and maintenance of any States' unincorporated trading concerns and commercial interests" including Guernsey Harbours. Since 2016, the STSB has established new systems of governance for Guernsey Harbours that are designed to ensure that the right balance is struck between commercial considerations and the wider interests and needs of the Island's community, whilst instilling a clear strategic direction for the business through the development of business plans, with performance goals focused on improving outcomes in areas such as public value, service excellence, efficiency and customer satisfaction.</p>

<b>Billet &amp; Title</b>	<a href="#">Billet d'État III, of 2012 - Future Business Environment for Guernsey Water and Guernsey Wastewater</a>
<b>Resolution Sponsor</b>	States' Trading Supervisory Board
<b>Resolution</b>	<p>6. To direct the Public Services Department to carry out further investigations, undertaking such consultation as it considers appropriate, into the desirability of transferring Guernsey Water, once the full financial and operational merger between the clean water and waste water units has been completed, into a States Trading Company, including, without limitation, consideration of: (a) the possibilities for allocating and managing the shareholder function in respect of such a Company;</p> <p>(b) the economic regulation of such a Company;</p> <p>(c) the assets that would be transferred to such a Company and any that would be retained by the States;</p> <p>(d) the manner by which to secure for the States any appropriate financial return from such a Company;</p> <p>(e) the arrangements envisaged for affording appropriate protection to the workforce at the time of such a transfer, including detailed recommendations in regard to pension provision; and</p> <p>(f) the advantages and disadvantages of the potential amalgamation of Guernsey Water and Guernsey Electricity Limited, whether at that time or in the future, and to report the outcomes of those investigations to the States of Deliberation as soon as practicable.</p>
<b>Reason for Rescission</b>	<p>This resolution has been superseded by the States' decision to establish the STSB, which is mandated to "...ensure the efficient management, operation and maintenance of any States' unincorporated trading concerns and commercial interests" including Guernsey Water. Since 2016, the STSB has established new systems of governance for Guernsey Water that are designed to ensure that the right balance is struck between commercial considerations and the wider interests and needs of the Island's community, whilst instilling a clear strategic direction for the business through the development of business plans, with performance goals focused on improving outcomes in areas such as public value, service excellence, efficiency and customer satisfaction.</p>

**1.2 States' Resolutions recommended for Transfer**

<b>Billet &amp; Title</b>	<a href="#">Billet d'État IX, of 2015 - Utilities - Laying and maintaining services in private land</a>
<b>Original Sponsor</b>	Committee <i>for</i> Economic Development
<b>Resolution</b>	1. To note the intention of the Department to discuss and review with the Public Services Department and the Law Officers the possibility of the creation of appropriate statutory rights over private land that may be exercised by water and sewerage services utility providers and, if necessary, to submit a further report to the States with proposals for the enactment of relevant legislation.
<b>Committee transferring to</b>	States' Trading & Supervisory Board
<b>Reason for Transfer</b>	The issue of services in private land was followed up with PSD at the time, but this was not taken forward. This now more appropriately rests with STSB. The legal drafting requirements are minor and still valid as this would tidy up an anomaly that occurred when the electricity law was drafted.

<b>Billet &amp; Title</b>	<a href="#">Billet d'État IX, of 2015 - Utilities - Laying and maintaining services in private land</a>
<b>Original Sponsor</b>	Committee <i>for</i> Economic Development
<b>Resolution</b>	3. To direct the preparation of such legislation that may be necessary so as to give effect to the above decisions.
<b>Committee transferring to</b>	States' Trading & Supervisory Board
<b>Reason for Transfer</b>	The issue of services in private land was followed up with PSD at the time, but this was not taken forward. This now more appropriately rests with STSB. The legal drafting requirements are minor and still valid as this would tidy up an anomaly that occurred when the electricity law was drafted.



**Legislation approved by the States as at 3<sup>rd</sup> March, 2020**

The legislative drafting process



Title and descriptions	Lead Committee	Billet d'État	Stage
<b>Administrative Decisions Review Law, 1986</b> Amend Law to transfer functions of Chief Executive and H.M. Greffier to an independent Complaints Panel and other miscellaneous changes	P&RC	VI/2016 (art. XIII)	8
<b>Amendment of Disclosure Law</b> To enable the disclosure of information by the Guernsey Financial Services Commission to the Director of the Revenue Service where this would assist the Director in undertaking her duties (proposition 9)	P&RC	XXIV/2018	8

Title and descriptions	Lead Committee	Billet d'État	Stage
<b>Amendment of Income Tax Law</b> Triviality payments and individuals electing to pay the standard charge	P&RC	XXI/2019 (art. I) (props 15 & 16)	8
<b>Amendment of section 65 of the Income Tax Law regarding liability on distributions from a company or other entity held under the control of trustees</b>	P&RC	XX/2017	8
<b>Amendment to the Guernsey Competition and Regulatory Authority Ordinance, 2012</b> Amendment to allow a power of delegation by the Guernsey Competition and Regulatory Authority to its Chief Executive	CfED	XIII/2019 (art. IV)	7
<b>Amendments to Criminal Justice legislation in respect of money laundering and terrorist financing</b>	CfHA	XXII/2019 (art. IV)	8
<b>Amendments to Criminal Justice legislation in respect of money laundering and terrorist financing</b>	CfHA	V/2018 (art. XI)	8
<b>Amendments to Population Management Law</b> To amend provisions relating to Part B and Part C Open Market Employment Permits and Short Term Employment Permits	CfHA	XXIII/2017 (art. X)	7
<b>Amendments to Population Management Law</b> Amendments in relation to Resident Permits, Resident Certificates and occupation by Short Term Employment Permit	CfHA	XXVII/2018 (art. XX)	7
<b>Armed Forces Act 2006:</b> legislation re application of local criminal law and jurisdiction of local courts legislation re application of local criminal law and jurisdiction of local courts	P&RC	XVIII/2013	7

<b>Title and descriptions</b>	<b>Lead Committee</b>	<b>Billet d'État</b>	<b>Stage</b>
<b>Asian Infrastructure Investment Bank - Articles of Agreement</b> Ordinance to be enacted under the Privileges and Immunities (Bailiwick of Guernsey) Law, 2004 to implement the required privileges and immunities as set out in Chapter IX of the Asian Infrastructure Investment Bank Articles of Agreement	P&RC	III/2019 (art. VII)	7
<b>Central register of contact details</b> Establish a register of core data and contact details for individuals and organisations.	P&RC	III/2019 (art. III)	7
<b>Certificates of lawful use</b> Ordinance under the Land Planning and Development (Guernsey) Law, 2005 to make provision for certificates of lawful use.	CftE&I	XI/2017 (art. VIII)	8
<b>Company Intermediate Rate</b> Extend the company intermediate income tax rate to income from the regulated activity of operating an investment exchange under the Protection of Investors Law and to income from compliance and other related activities provided to regulated financial services businesses (propositions 13 & 14)	P&RC	XXIV/2018	8
<b>Contributory Benefit and Contribution Rates for 2019</b>	CfESS	XXIII/2018 (art IX)	8
<b>Contributory Benefit and Contribution Rates for 2020</b> Uprating ordinances	CfESS	XX/2019 (art. VI)	8
<b>Customs Duties and Associated Powers Required in respect of Brexit</b> Bailiwick-wide legislative framework to facilitate the imposition of customs duties on imported and exported goods and associated requirements.	CfHA	XIX/2018 (art. IV)	8
<b>Data Protection: EU General Data</b> Protection Regulation New Bailiwick wide legislation aligned to the EU General Data Protection Regulation and the Directive relating to the Processing of Personal Data for the purposes of the Prevention of Crime.	CfHA	VIII/2017 (art. VI)	8

**APPENDIX 3**

<b>Title and descriptions</b>	<b>Lead Committee</b>	<b>Billet d'État</b>	<b>Stage</b>
<b>Document Duty &amp; Anti-Avoidance Duty</b> Proposals to introduce a document duty (anti-avoidance duty) and to repeal and replace the Document Duty (Guernsey) Law, 1973 with a revised document duty regime.	P&RC	X/2017	7
<b>Electronic Agents</b> Ordinance under the Electronic Transactions (Guernsey) Law, 2000 to provide enhanced certainty regarding the legal effect of actions carried out by means of an electronic agent.	CfED	XXIII/2018 (art. XII)	8
<b>Eligibility for Industrial Injuries Benefits</b> Amendment of the Social Insurance (Guernsey) Law, 1978 to prescribe additional categories of persons to be treated as employed persons for the purposes of industrial injuries benefits.	CfESS	XIV/2015 (art. XX)	8
<b>Environmental pollution</b> Part VI of the Environmental Pollution (Guernsey) Law, 2004 covers water pollution. Parts of the 2004 Law were commenced in 2006 and 2019 but Part VI (water pollution) is not yet in force.	CftE&I	XXI/2012 (art. VI)	7
<b>Environmental Pollution (Guernsey) Law, 2004, Part VII - Air Pollution</b> Supplementary Policy Letter	CftE&I	XXIII/2019 (art. IX)	8
<b>Environmental Pollution (Guernsey) Law, 2004: Air Pollution</b> Commence Part VII of the Law and preparation of subordinate legislation under this Part to introduce local air quality standards and a regulatory framework for actual or potential pollution to the atmosphere.	CftE&I	III/2017 (art. III)	8
<b>European Union (Amendment of Legislation) (Bailiwick of Guernsey) Law, 2018 Commencement</b>	P&RC	XXI/2017 (art. III)	7
<b>European Union (Brexit) (Bailiwick of Guernsey) Law, 2018 Commencement</b>	P&RC	XVI/2018	7
<b>Extend the company higher rate</b>	P&RC	XXI/2019 (art. I) (prop 11)	8

<b>Title and descriptions</b>	<b>Lead Committee</b>	<b>Billet d'État</b>	<b>Stage</b>
<b>Extend the company intermediate rate</b>	P&RC	XXI/2019 (art. I) (prop 12)	8
<b>Extending the Bailiwick of Guernsey's Territorial Seas</b> Following or upon extension of the territorial seas of the Bailiwick, legislation to give effect to the extension and any consequential amendments to extant Bailiwick legislation, such as the Sea Fish Licensing (Bailiwick of Guernsey) Law, 2012	P&RC	I/2019 (art. II)	8
<b>Extension of Wreck Removal Convention to the Bailiwick</b> Ordinance(s) under the Merchant Shipping (Bailiwick of Guernsey) Law, 2002 to give effect to the Nairobi Convention on the Removal of Wrecks, 2007 and any corresponding repeals or amendments.	CftE&I	I/2017 (art. III)	7
<b>Extradition Law</b> Bailiwick wide Projet to put in place as extradition regime framework broadly based on the category II procedures in the Extradition Act 2003	CfHA	XXIII/2016 (art. III)	7
<b>Financial Services Commission</b> Amendments to Financial Services Commission (Bailiwick of Guernsey) Law, 1987 to introduce primary objectives for the GFSC and secondary matters to which they must have regard; removing the statutory cap on the number of Commissioners, term of office and compulsory retirement age; enabling power re the introduction of a regulatory decisions appeal mechanism; and complaints procedure	P&RC	XX/2015 (art. VIII)	8
<b>Financial Services Ombudsman: New Funding Structure</b>	CfED	XVIII/2019 (art. XIII)	8
<b>Future Digital Services</b> Ordinance made under the Transfer of States Undertakings (Protection of Employment) (Guernsey) Law, 2001	P&RC	X/2019	7

<b>Title and descriptions</b>	<b>Lead Committee</b>	<b>Billet d'État</b>	<b>Stage</b>
<b>General Election 2020</b> Amend the Reform (Guernsey) Law, 1948 Law to provide that with effect from the General Election to be held in June 2020 there shall be one island-wide electoral district to elect 38 Deputies for a four-year term and that each voter would have up to 38 votes at each election, and other associated changes.	SACC	VII/2019 (art. II)	7
<b>General Election 2020</b> Secondary Legislation to be drafted setting out the date of the Election, the closure of entries to the Electoral Roll, the expenditure limits and the polling stations. Rules will also be drafted governing such matters as the public inspection of the Electoral Roll, availability of the Electoral Roll, the presence of candidates at the vote count.	SACC	VII/2019 (art. II)	7
<b>General Election 2020</b> Secondary legislation to be drafted including legislation in respect of changes to postal voting	SACC	XXIV/2019 (art. XIII)	7
<b>Guernsey gross domestic product</b> Enact Guernsey & Alderney law equivalent to the UK Statistics of Trade Act 1947 with power to require businesses to provide data that will be used to improve the accuracy of published figures of GVA, GDP and median earnings.	P&RC	XVIII/2015 (art. VII)	7
<b>Highway Code for Guernsey, 2019</b>	CftE&I	XIII/2019	7
<b>Import Duties (Tariff and Related Provisions) (Bailiwick of Guernsey) Ordinance, 2019</b>	P&RC	XIX/2018 (art. IV)	7
<b>Income Tax (Substance Requirements) Ordinance</b>	P&RC	XXIV/2018	8
<b>Insolvency Review</b> Amendments to the Companies (Guernsey) Law, 2008 to reform corporate insolvency provisions.	CfED	VII/2017 (art. XIV)	7

**APPENDIX 3**

<b>Title and descriptions</b>	<b>Lead Committee</b>	<b>Billet d'État</b>	<b>Stage</b>
<b>International Criminal Court</b> Legislation to implement Rome Statute establishing the International Criminal Court	CfHA	XV/2013 (art. XII)	7
<b>International Trade Agreements (Implementation) (Bailiwick of Guernsey) Law, 2018 Commencement</b>	P&RC	XXI/2017 (art. III)	7
<b>Legal Aid Civil &amp; Criminal Schemes Ordinance</b>	CfESS	XVII/2001 (art. VI)	7
<b>Liquor Licensing: Permitted Hours</b> Amend licensing hours in respect of Christmas Day and Good Friday	CfHA	XIX/2017 (art. I)	8
<b>Matrimonial causes</b> Amend the Matrimonial Causes (Guernsey) Law, 1939; extend powers to divide assets and transfer property	P&RC	II/2009	7
<b>Merchant Shipping</b> Introduction of a new small commercial vessels code and consequent legislative amendments.	STSB	V/2018 (art. VII)	8
<b>Minor Amendments to Social Security legislation</b> To amend the Social Insurance (Guernsey) Law, 1978, to ensure that while pensionable age increase incrementally from 65 to 70, the pension average period in the calculation of entitlement remains at 45 years and the relevant period in the calculation of entitlement to survivor's benefit and death grant shall not exceed 45 years. Provide for death grant to be paid in respect of a still-born child.	CfESS	XX/2018 (art. VIII)	8
<b>Miscellaneous amendments to the Income Tax Law</b>	P&RC	XXIV/2018	8
<b>Non-Contributory Benefit Rates for 2019</b>	CfESS	XXIII/2018 (art. X)	7

<b>Title and descriptions</b>	<b>Lead Committee</b>	<b>Billet d'État</b>	<b>Stage</b>
<b>Non-contributory benefit rates for 2020</b> Uprating Ordinances	CfESS	XXI/2019 (art. II)	8
<b>Plant Health (Guernsey) Ordinance</b> Ordinance to update Guernsey's plant health legislation and implement EU Regulations.	CfED	VIII/2006 (art. IX)	7
<b>Plant Health (Guernsey) Ordinance</b> Brexit related Ordinances	CftE&I	VIII/2006 (art. IX)	7
<b>Preparation for a new electoral roll</b> Legislation to create a new Electoral Roll, that the validity of the existing Electoral Roll will cease in 2019, and the closure of the new Electoral Roll in 2020.	CfHA	VII/2019 (art. III)	8
<b>Probation</b> Repeal the Loi relative à la Probation de Délinquants, 1929 and replace it with a new Probation Law	CfHA	XI/2015 (art. VIII)	8
<b>Protecting the interests of the Bailiwick as the UK leave the EU</b> Enabling law regarding implementation of international agreements relating to trade (item 3 of the HMP letter which forms part of the Policy Letter)	P&RC	XXI/2017 (art. III)	8
<b>Protecting the interests of the Bailiwick as the UK leave the EU</b> Bailiwick-wide Withdrawal Law to: repeal the European Communities (Bailiwick of Guernsey) Law, 1973; preserve effect of directly effective or otherwise binding EU law in domestic law; provide powers to amend, repeal, adapt or modify retained EU law, Ordinances giving effect to EU measures; make consequential amendments to the Implementation Law; make provision in relation to extant applicable ECJ jurisprudence (item 1 of the HMP letter which forms part of the Policy Letter)	P&RC	XXI/2017 (art. III)	7
<b>Public Holidays in May 2020</b> Ordinance to provide that the 8 May 2020 shall be a public holiday and the first Monday in May 2020 shall not be public holiday	CfED	XV/2019 (art. I)	8



<b>Title and descriptions</b>	<b>Lead Committee</b>	<b>Billet d'État</b>	<b>Stage</b>
<b>Referendum on Guernsey's Voting System</b>	SACC	IX/2017 (art. IX)	8
<b>Referendums Legislation to introduce</b>	P&RC	XIX/2002	7
<b>Reform Law – declaration of unspent convictions</b> Amend the Reform (Guernsey) Law, 1948 Law to require candidates for People's Deputy to declare unspent convictions under Rehabilitation of Offenders (Bailiwick of Guernsey) Law, 2002	SACC	IX/2016 (art. III)	7
<b>Register of Driving Instructors</b>	CftE&I	XXVI/2014 (art. XI)	7
<b>Revision of Double Taxation Agreements arising from the effects of the OECD/G20 Base Erosion and Profit Shifting Multilateral Instrument</b> Amendments to sections 172 and 75C of the Income Tax (Guernsey) Law, 1975 regarding amendments to Guernsey's DTAs by the Multilateral Instrument	P&RC	XVII/2018 (art. XXII)	8
<b>Revisions to the Proceeds of Crime Framework</b> Amend the Criminal Justice (Proceeds of Crime) Law, 1999 to update the anti-money laundering and combatting terrorist financing framework to meet revised standards of the Financial Action Task Force and recommendations made by MoneyVal.	P&RC	XX/2018 (art. VI)	8
<b>Road transport and driving licence implications for driving in Europe post-Brexit and other related matters</b> The adoption of legislative and regulatory measures to demonstrate compliance with the requirements of the Vienna Convention	Home Affairs	XXVII/2018 (art. XVIII)	7
<b>Scrutiny Management Committee Powers - primary legislation</b> Primary legislation to enable the Scrutiny Management Committee to have powers to call for persons, papers and records; extend legal privilege to witnesses providing evidence to the Scrutiny Management Committee	SMC	IV/2016 (art. II)	7

Title and descriptions	Lead Committee	Billet d'État	Stage
<b>Scrutiny Management Committee Powers - secondary legislation</b> Scrutiny Management Committee to have powers to call for persons, papers and records; extend legal privilege to witnesses providing evidence to the Scrutiny Management Committee	SMC	IV/2016 (art. II)	7
<b>Social welfare reforms:</b> Implementation of Income Support including closure of the rent rebate scheme and associated transitional provisions; introduction of new benefit rates, capital limits; and extra needs allowance and increase in the amount of the earnings disregards.	CfESS	VIII/2018 (art. V)	7
<b>The Reform (Guernsey) (Amendment) (No. 2) Law, 2019</b>	SACC	XVIII/2019	7
<b>Transformation of Income Tax and Contributions Services</b> To develop a single service for the collection of Income Tax and Social Security Contributions; to establish the office of Director of Revenue Services and transfer functions of the Director of Income Tax and the operational contributions responsibilities of CESS and the Administrator of the Social Insurance Law to that post	P&RC	XI/2018 (art. III)	8
<b>Transfrontier Shipment of Waste Ordinance, 2002</b> Transfer functions; permit export of waste to Jersey; implement 2006 EU regulation	CftE&I	XVIII/2013 (art. IX)	8
<b>Triviality Payments from Pension Schemes</b> Amend the Income Tax (Guernsey) Law, 1975 to amend the conditions for triviality payments from pension schemes (proposition 21)	P&RC	XXIV/2018	8

**Legislation approved and drafting in progress as at 3<sup>rd</sup> March, 2020**

The legislative drafting process



P&RC agreed priority	Title and descriptions	Lead Committee	Billet d'État	Stage
High	<b>Amendments to the Guernsey Competition and Regulatory Authority Ordinance</b> Provisions regarding the appointment of the Chairman	CfED	XXIV/2019 (art. XIV)	6
High	<b>Roll On/Roll Off Ferry Services</b> Licensing regime for Roll On/Roll Off services at St Peter Port Harbour	CfED	XIV/2015 (art. XV)	4
High	<b>Health and Care Regulation in the Bailiwick</b> Bailiwick wide enabling Law to establish, amongst other things, an independent Commission to regulate health and care provision.	CfHSC	III/2019 (art. V)	4

## APPENDIX 4

P&RC agreed priority	Title and descriptions	Lead Committee	Billet d'État	Stage
High	<b>Capacity Law</b> Projet to deal with incapacity in adults based on the Mental Capacity Act 2005; tests as to capacity; appointment of guardians; taking legally binding decisions as to medical treatment; deprivation of liberty standards.	CfHSC	VII/2016 (art. III)	6
High	<b>Adoption</b> Repeal of the Adoption (Guernsey) Law, 1960 and all relevant legislation relating to adoption to be replaced by new legislation based on the provisions of the Adoption and Children Act 2002.	CfHSC	VII/2016 (art. V)	3
High	<b>Sexual offences</b> New legislation based on the Sexual Offences Act 2003; protection of complainants/witnesses; registration of sex offenders; preventative civil orders	CfHA	XIII/2011 (art. IX)	6
High	<b>People working with children and vulnerable adults:</b> Vetting and barring scheme	CfHA	XXIV/2009 (art. XII)	3
High	<b>Charities and Other Non Profit Organisations</b> Amendment of the Charities and Non Profit Organisations (Registration) (Guernsey) Law, 2008 to strengthen the governance of NPOs and enable the States to comply with international financial regulations and standards.	P&RC	I/2020 (art. III)	2
High	<b>Reform of the Marriage law</b> A Law and subordinate legislation will be required	P&RC	III/2019 (art. VI)	6
High	<b>Extending the United Kingdom's membership of the World Trade Organisation</b> Legislation to ensure the extension may have effect including statutory privileges and immunities relating to the WTO and its officials.	P&RC	IV/2019 (art. I)	3

**APPENDIX 4**

<b>P&amp;RC agreed priority</b>	<b>Title and descriptions</b>	<b>Lead Committee</b>	<b>Billet d'État</b>	<b>Stage</b>
High	<b>Insurance - statutory discount rate</b> Legislation to enable the introduction of a statutory discount rate and other matters	P&RC	V/2019 (art. IV)	4
High	<b>Reform of Health Care Funding</b> Repeal of provisions relating Medical Benefit, Specialist Medical Benefit, Physiotherapy Benefit, Alderney Hospital Benefit and travelling allowance grant; amendment of the Health Service (Benefit) (Guernsey) Law, 1990 to empower the Committee for Health & Care to determine conditions and other matters relating to pharmaceutical benefit and supply of medical appliances by resolution or regulation.	P&RC	X/2019 (art. VII)	4
High	<b>Reform of Health Care Funding</b> Transfer of certain functions under Health Service (Benefit) (Guernsey) Law, 1990 and Social Insurance (Guernsey) Law, 1978 from the Committee for Employment & Social Security to the Committee for Health & Social Care.	P&RC	X/2019 (art. VII)	6
High	<b>Miscellaneous amendments to the Taxation of Real Property (Guernsey &amp; Alderney) Ordinance, 2007</b>	P&RC	XI/2018 (art. IV)	6
High	<b>Introduction of Independent Taxation</b> To introduce independent taxation, including individual assessments, albeit retaining full transferability of unused allowances mirroring the current position.	P&RC	XX/2017	4
High	<b>Protecting the interests of the Bailiwick as the UK leave the EU</b> Immigration legislation (para. 6.3 of the Policy Letter)	P&RC	XXI/2017 (art. III)	3
High	<b>GFSC law revision project</b> Enact new GFSC enforcement Law containing all sanctions and powers currently set out in regulatory laws; revise individual GFSC sector laws	P&RC	XVIII/2015 (art. V)	6

**APPENDIX 4**

<b>P&amp;RC agreed priority</b>	<b>Title and descriptions</b>	<b>Lead Committee</b>	<b>Billet d'État</b>	<b>Stage</b>
High	<b>GFSC law revision project</b> Enact new Insurance Business and Insurance Managers and Intermediaries Ordinances	P&RC	XVIII/2015 (art. V)	3
Medium	<b>On-Island Integrated Transport strategy</b> Extensive legislative proposals (e.g. presumed liability, speed limit review, motorcycle licensing requirements, amendments to theory tests, etc.)	CftE&I	IX/2014 (Vol. 1 art. VI)	2
Medium	<b>Organ donation - soft opt out scheme</b> Introduction of an organ donation scheme based on deemed consent.	CfHSC	XXV/2018 (art. XIV)	6
Low	<b>Amendments to the Banking Deposit Compensation Scheme (Bailiwick of Guernsey) Ordinance, 2008</b> Amendments to provide for the Committee for Economic Development to define (1) the terms and conditions of appointment and (2) the notice period for members of, the Guernsey Banking Deposit Compensation Board and (2)	CfED	XXIII/2018 (art. XIII)	6
Low	<b>Banking Deposit Compensation Scheme</b> Amend the Banking Deposit Compensation Scheme (Bailiwick of Guernsey) Ordinance, 2008 to reflect compliance with certain core principles issued by the International Association of Deposit Insurers	CfED	XXV/2018 (art. XV)	6
Low	<b>Regulation of utilities</b> Remove postal services and electricity regulation by the Guernsey Competition and Regulatory Authority; amend Post Office and Electricity Laws to enable the CED to regulate those utilities	CfED	III/2016 (art. XVII)	1

## APPENDIX 4

P&RC agreed priority	Title and descriptions	Lead Committee	Billet d'État	Stage
Low	<b>Utilities - laying services in private land</b> Amend Public Thoroughfares (Guernsey) Law 1958 in favour of Guernsey Electricity; and consider additional powers for water/sewerage undertakers [and report back if necessary]	CfED	IX/2015 (art. VI)	1
Low	<b>EU batteries directive</b> Implement EC Directive 2006/66 by Ordinance under the European Communities (Implementation) (Bailiwick of Guernsey) Law, 1994	CfED	IV/2012 (art. XI)	1
Low	<b>Limited partnerships</b> Re-enactment of the Limited Partnerships (Guernsey) Law, 1995 with miscellaneous amendments – e.g., transfer functions to company registrar, migrations, conversions, protected cells	CfED	VI/2010 (art. XI)	4
Low	<b>Finance sector legislation</b> Enable amendment of banking, insurance, fiduciary and protection of investor Laws by Ordinance	CfED	XXI/2006 (art. IX)	1
Low	<b>Innovation patents</b>	CfED	XXIII/2002 (art. XIX)	3
Low	<b>Trade marks - geographical indications:</b> Ordinance for Bailiwick	CfED	XXIII/2002 (art. XIX)	3
Low	<b>Residential On-Street Parking</b> Ordinance under the Road Traffic (Parking Fees and Charges) (Enabling Provisions) (Guernsey) Law, 2009 to provide for parking permits.	CftE&I	XIV/2015 (art. XIX)	1
Low	<b>Traffic and Road Transport</b> New fees and charges and add power to set regulations	CftE&I	XII/2013	1

**APPENDIX 4**

<b>P&amp;RC agreed priority</b>	<b>Title and descriptions</b>	<b>Lead Committee</b>	<b>Billet d'État</b>	<b>Stage</b>
Low	<b>Environmental pollution</b> Amendment of the Environmental Pollution (Guernsey) Law, 2004; water standards; exemptions from the Food and Environmental Protection Act for certain deposits in sea.	CftE&I	XXI/2012 (art. VI)	4
Low	<b>Transport strategy</b> Consolidation of Driving Licences (Guernsey) Ordinance, 1995	CftE&I	VII/2006 (res. 28 on art. VIII)	1
Low	<b>Transport strategy</b> Legislation to ban the use of "bull bars"	CftE&I	XXII/1998 (art. XV)	1
Low	<b>Plant Health (Guernsey) Ordinance</b> Non-Brexit related Ordinances may be required	CftE&I	VIII/2006 (art. IX)	1
Low	<b>Animal Welfare Legislation</b> Ordinance required for welfare of animals during international transport, regulation of professions and responsibilities and liabilities of animal owners.	CftE&I	III/2003 (art. VI)	4
Low	<b>Genetically modified crops</b> Legislation to regulate	CftE&I	XXV/2003 (art. XI)	1
Low	<b>Public transport legislation</b> Amend and consolidate the Public Transport Ordinance 1986	CftE&I	XX/2000 (art. XVI)	4
Low	<b>Tobacco Products (Guernsey) Ordinance</b> Ordinance to provide for confiscation of tobacco products from under-18s in public places	CfHSC	XXIII/2012 (art. VIII)	4
Low	<b>Health and Social Services Charitable Trust</b> To be constituted by Projet	CfHSC	XXII/2007 (art. VII)	4



## APPENDIX 4

P&RC agreed priority	Title and descriptions	Lead Committee	Billet d'État	Stage
Low	<b>Consumer Protection</b> <b>Introduction of statutory consumer protection powers</b> Preparation of Ordinance under the Trading Standards (Enabling Provisions) (Guernsey) law, 2009	CfHA	III/2016 (art. XIX)	3
Low	<b>Gambling legislation</b> Implementation of the resolutions of 01.11.07 by amendment to existing legislation rather than repealing and replacing the existing legislative framework; introduction of gaming machines; removal of certain restrictions, including those in relation to Crown and Anchor, Sunday opening for bookmakers, betting offices being located on the ground floor of shops, and restrictions on size of television screens.	CfHA	XIV/2015 (art. XVII)	1
Low	<b>Channel Islands lottery</b> New Ordinance under Gambling (Guernsey) Law, 1971 to permit other forms of lottery; amend the Gambling (Channel Islands Lottery) (Guernsey) Ordinance, 1975; allocation of proceeds	CfHA	XX/2014 (Vol. 2 art. XIII)	1
Low	<b>Terrorist financing, money laundering and weapons proliferation</b> Legislation equivalent to the provisions of schedule 7 of the UK Counter Terrorism Act 2008	CfHA	XV/2013 (art. X)	3
Low	<b>Domestic Proceedings and Magistrates Court (Guernsey) Law, 1988</b> Amend Law to allow Court to hand down suspended sentences of imprisonment for breaches of Domestic Violence Injunctions and to permit an individual contesting a breach of a Domestic Violence Injunctions to be remanded in custody.	CfHA	XXI/2009 (art. IV)	3
Low	<b>Sale of knives to under-18's</b> Amend the Police Powers and Criminal Evidence (Bailiwick of Guernsey) Law, 2003	CfHA	XI/2008 (art. XVIII)	3

**APPENDIX 4**

<b>P&amp;RC agreed priority</b>	<b>Title and descriptions</b>	<b>Lead Committee</b>	<b>Billet d'État</b>	<b>Stage</b>
	and the Criminal Justice (Miscellaneous Provisions) (Bailiwick of Guernsey) Law, 2006			
Low	<b>Fire services</b> Amendments to the Fire Services (Guernsey) Law, 1989; fire safety education, attendance at road traffic collisions, attendance at non-fire emergencies, mutual assistance at incidents outside Guernsey, investigation of fires.	CfHA	XII/2008 (art. IX)	3
Low	<b>Terrorism</b> New offences based on Terrorism Act 2006	CfHA	XVIII/2006 (art. XIII)	3
Low	<b>Parole legislation:</b> Ordinance under the Parole (Guernsey) Law, 2009.	CfHA	IV/2005 (art. VII)	3
Low	<b>Fair trading - torts (interference with goods)</b> Law based on 1977 UK Act	CfHA	VIII/2000 (art. II)	3
Low	<b>Fair trading - disposal of uncollected goods</b> Law based on UK Act	CfHA	VIII/2000 (art. II)	3
Low	<b>Fair trading - supply of goods (implied terms)</b> Law based on 1973 UK Act	CfHA	VIII/2000 (art. II)	1
Low	<b>States of Alderney - new single property tax</b> Amendment of the Alderney (Application of Legislation) Law, 1948 and the Taxation of Real Property (Guernsey & Alderney) Ordinance, 2007 to provide for Alderney's legislative autonomy in relation to property taxation.	P&RC	III/2019 (art. VIII)	6

**APPENDIX 4**

<b>P&amp;RC agreed priority</b>	<b>Title and descriptions</b>	<b>Lead Committee</b>	<b>Billet d'État</b>	<b>Stage</b>
Low	<b>Public Functions Law</b> Amendments to the Public Functions (Transfer and Performance) (Bailiwick of Guernsey) Law, 1991 to include those to permit functions to be transferred to a public or statutory office or body by Ordinance; encompass other descriptions of public or statutory office or body in relation to the performance of functions by officers.	P&RC	XVI/2015 (art. XII)	4
Low	<b>States Official Gazette</b> Simplification of legislative requirements for Gazette Officielle publications	P&RC	XIX/2011 (art. XI)	4
Low	<b>Court of Appeal</b> Amendments to the Court of Appeal (Guernsey) Law, 1961	P&RC	XIX/2011 (art. XII)	4
Low	<b>Income tax</b> Consolidation of the Income Tax (Guernsey) Law, 1975	P&RC	XXIV/2009 (art. VII)	2
Low	<b>Registration of overseas lawyers</b>	P&RC	XIX/2007 (art. VII)	2
Low	<b>Tribunals Service</b> Legislation to establish	P&RC	XV/2002 (prop. 13)	2
Low	<b>Guernsey Water and Wastewater</b> Prepare water utility sector law to replace the Loi ayant rapport à la Fourniture d'Eau par les Etats de cette Ile aux Habitants de la dite Ile [1927] and the Sewerage (Guernsey) Law, 1974 Law.	STSB	III/2012 (art. X)	1
Low	<b>Pilotage dues and exam fees</b> Minor amendments	STSB	XXVI/2007 (art. XIV)	1

**APPENDIX 4**

<b>P&amp;RC agreed priority</b>	<b>Title and descriptions</b>	<b>Lead Committee</b>	<b>Billet d'État</b>	<b>Stage</b>
Low	<b>Sewerage - grants and loans</b> Miscellaneous amendments to the Sewerage (Guernsey) Law, 1974 Law	STSB	XVI/2006 (art. XV)	1
Not yet prioritised	<b>Amendments to the Companies Law</b> Miscellaneous amendments to the Companies (Guernsey) Law, 2008 to address issues identified following consultation issued by the Committee in June 2018.	CfED	XVIII/2019 (art. XIV)	4
Not yet prioritised	<b>Contributory Benefit and Contribution Rates for 2020</b> Renaming of Old Age Pension to States Pension	CfESS	XX/2019 (art. VI)	1
Not yet prioritised	<b>Non-contributory benefit rates for 2020</b> Statutory scheme of compensation for persons who have been diagnosed with diffuse mesothelioma following exposure to asbestos in the Bailiwick	CfESS	XXI/2019 (art. II)	1
Not yet prioritised	<b>Capacity Law</b> Supplementary policy matters and potential financial implications arising from the appeals process	CfHSC	V/2020 (art. VI)	1
Not yet prioritised	<b>Register of driving instructors</b> Legislation to provide for a register of driving instructors and subsequent amendments to the Driving Licences (Guernsey) Ordinance, 1995	CftE&I	XXVI/2014 (art. XI)	1
Not yet prioritised	<b>Police Support for Alderney and Sark</b> Amendment of the Police Force (Guernsey) Law, 1986 to enable visiting police officers from the United Kingdom and Jersey to operate in Alderney and Sark	CfHA	I/2020 (art. VII)	1
Not yet prioritised	<b>Sexual Offences Legislation: Supplementary policy matters</b>	CfHA	XIII/2011 (art. IX)	6

**APPENDIX 4**

<b>P&amp;RC agreed priority</b>	<b>Title and descriptions</b>	<b>Lead Committee</b>	<b>Billet d'État</b>	<b>Stage</b>
Not yet prioritised	<b>States of Guernsey Annual Budget for 2020.</b> Provision for equity release mortgages (proposition 28)	P&RC	XXI/2019 (art. I)	1
Not yet prioritised	<b>International Tax Measures</b> Miscellaneous amendments to the income tax legislation	P&RC	XXIV/2019 (art. XVII)	3
Not yet prioritised	<b>Transformation of Income Tax and Contributions Services</b> Legislation regarding amendments to the Disclosure Law	P&RC	XI/2018 (art. III)	3
Not yet prioritised	<b>Transformation of Income Tax and Contributions Services</b> To develop a single service for the collection of Income Tax and Social Security Contributions; to establish the office of Director of Revenue Services and transfer functions of the Director of Income Tax and the operational contributions responsibilities of CESS and the Administrator of the Social Insurance Law to that post. Propositions 7, 9, 10, 11, 12 and 14	P&RC	XI/2018	1
Not yet prioritised	<b>Financial Services Commission</b> <b>Amendments to Financial Services Commission (Bailiwick of Guernsey) Law, 1987</b> to introduce primary objectives for the GFSC and secondary matters to which they must have regard; removing the statutory cap on the number of Commissioners, term of office and compulsory retirement age; enabling power re the introduction of a regulatory decisions appeal mechanism; and complaints procedure	P&RC	XX/2015 (art. VIII)	1
Not yet prioritised	<b>General Pilotage - Retirement Age of General Pilots</b> Amendment of the Pilotage Ordinance, 1967 to provide that General Pilots are permitted to remain in post beyond the age of 65 provided they hold a valid Seafarers Medical Report and Certificate.	STSB	XX/2019 (art. VII)	6

**Handover Report****1. Introduction**

- 1.1 The Policy & Resources Committee (**'P&RC'**) has identified what it considers to be the main policy and operational challenges that the successor Committee will face in the next political term. To place these into context, a review of achievements made and challenges faced by the P&RC this term is also provided.

**2. Review****Future Guernsey**

- 2.1 The P&RC led and coordinated the development of the States' inaugural [Future Guernsey Plan](#); a collaborative process involving States' Members, Committees, and the community, which culminated in the adoption by the States of an aspirational and ambitious long-term vision for the Island, high-level outcomes to achieve that vision, and the policy priorities (**'areas of focus'**) to deliver those outcomes. The process also resulted in the States adopting its first Medium Term Financial Plan (**'MTFP'**), which sets out a fiscal strategy covering the medium term designed to ensure the States' finances can support the delivery of public services and the Future Guernsey Plan outcomes. The P&RC has subsequently enabled the States to develop further, and to monitor progress against, the Future Guernsey Plan, including, from 2018, measurement using an adapted [version](#) of the Regional Wellbeing framework from the Organisation for Economic Co-operation and Development<sup>1</sup> (**'OECD'**) Better Life initiative. The P&RC has led or supported work within a number of the States' Areas of Focus; an assessment of progress against the four themes of the Future Guernsey Plan is set out in the 'End of Term' policy letter.

**Public finance and resources**

- 2.2 Through the development of the MTFP, the P&RC has sought to address the challenge of moving from an underlying deficit in public finances to a balanced [budget](#), within a context of enduring fiscal pressures and challenges to the sustainability of existing services as a result of an ageing population and growing demand for additional services. The P&RC has presented to the States balanced budgets in each year of the term despite exceptional demands for public spending for 2020. The P&RC also responded to requests from numerous States' Members to run a more inclusive budget-setting process with increased dialogue with Principal Committees. The P&RC has also brought forward progressive tax measures such as the withdrawal of personal and other tax allowance from higher earners and the implementation of tiered Tax on Real Property rates.

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<sup>1</sup> The OECD is an international organisation with the stated goal 'to shape policies that foster prosperity, equality, opportunity and well-being for all'. Source: <https://www.oecd.org/about/>.

- 2.3 Through the recent [Fiscal Policy Framework review](#), the P&RC enabled the States to reaffirm its long-term fiscal policy principles centred on that of long-term permanent balance, and to set a considered limit on the size of the public sector in the context of numerous short- and longer-term fiscal pressures. The P&RC will seek to initiate the Fiscal Policy Review before the end of this term so that a suitable handover document can be prepared for the next Committee.
- 2.4 The latest capital portfolio, which was approved as part of the MTFP, built on previous rounds of capital prioritisation and introduced categories ('maintain', 'transform' and 'grow') as a means of ensuring the capital projects chosen align with and support the States' agreed policies, strategies, and transformation agenda. The P&RC has also sought to extend the planning horizon for capital projects with the inclusion and funding of pipeline projects.
- 2.5 The P&RC has sought to make more effective use of the financial resources available to the States to provide new streams of funding the charitable and third sector, through initiatives such as the establishment of the [Social Investment Fund](#) ('SIF'), a [Participatory Budgeting Fund](#), and an [Impact Investment Fund](#) to support the Overseas Aid & Development Commission.
- 2.6 In 2018, the P&RC's Investment and Bond Sub-Committee agreed to invest seed funding of £25million to establish the independently-managed [Guernsey Investment Fund](#) ('GIF'), the dual purpose of which is to invest in projects and companies with a Bailiwick focus and to generate profits for investors. The GIF was launched with a protected cell for investment in technology and innovation. An additional protected cell, to which the States has [committed](#) £40million, was established in 2019 with the objective of investing in property development predominantly within the Bailiwick. By September, 2019, the GIF had committed more than £19million to 11 projects with investments ranging from £100,000 through to multi-millions.
- 2.7 The P&RC has actively worked to maintain a credit rating for Guernsey that is positive to inward and institutional investment. In January 2020, the rating agency Standard and Poor's [affirmed](#) its long- and short term sovereign credit rating at AA-/A-1+, and improved its assessment of Guernsey's outlook to 'stable' from 'negative' in light of greater stability in UK politics and clarity on Brexit.
- 2.8 To strengthen the P&RC's approach to maintaining Guernsey's financial stability, the P&RC established the Financial Stability Advisory Committee, operating with an independent chair to ensure objectivity and provide constructive challenge.
- 2.9 The P&RC, on behalf of the States as employer, has needed to manage both the pressures on the organisation to maintain or reduce its pay bill and the expectations of employee pay groups relating to pay awards, which in 2019 exceeded the budgetary allowance.

**Public Service Reform**

- 2.10 The P&RC has provided political oversight of the States' investment in service improvement and organisational change known as [Public Service Reform](#).
- 2.11 A report of progress made in connection with delivery of Public Service Reform will be provided later this year in the Annual Report of the Chief Executive of the States of Guernsey (the **"Chief Executive's Annual Report"**).
- 2.12 An important milestone in Public Service Reform was the [appointment](#) in 2019 of Agilisys as the States' strategic partner to deliver the next phase of work to use developments in technologies to improve how public services are delivered.
- 2.13 The P&RC provided political oversight of the delivery of the revised public service operating model and the appointment of Agilisys as the States' strategic partner following the two-year [Future Digital Services](#) programme.
- 2.14 The States' organisational redesign accelerated following the establishment of the partnership with Agilisys, which will facilitate digital transformation of service delivery; and following the Strategic Leadership Team restructure.
- 2.15 The P&RC, together with the Committee *for* Employment & Social Security, provided political oversight of the transformation of the operating model for the collection of income tax and social security contributions, [establishing](#) in 2018 the combined Revenue Service as a single, fully-integrated service. This was a significant transformation initiative undertaken to improve customer satisfaction and the efficiency of services, and to reduce operating costs. The [final phase](#), to fully implement the new operating model, commences in March, 2020.

**Other mandated responsibilities**

- 2.16 A major focus of the P&RC's work this term has been enabling the States and the Bailiwick to [manage the implications and opportunities](#) of the United Kingdom's exit from the European Union ('**Brexit**'), including by: [securing the extension](#) to the Bailiwick of the UK's [membership of the World Trade Organisation](#); ongoing engagement with the UK Government and States' Committees across policy areas where there is an impact from Brexit; contingency planning for a potential 'no deal' Brexit; and [securing the extension](#) of the Bailiwick's territorial seas. The States' response to Brexit was supported by the establishment of a £3million [Brexit Transition Fund](#); the strengthening of the External & Constitutional Affairs team to deal with additional Brexit-related work; and regular and ongoing engagement with Committees directly engaged in work relating to Brexit, and with industry, through forums led by the P&RC.
- 2.17 The P&RC has worked to develop further the accessibility and transparency of Guernsey's register of beneficial ownership for companies, in line with the



principles of the EU fifth Anti-Money Laundering Directive. On behalf of Guernsey, the P&RC worked with counterparts in Jersey and the Isle of Man to develop a [joint commitment](#) to increase transparency and accessibility in this area, and to publish an [action plan](#) detailing how Guernsey would give effect to this commitment. The joint commitment recognised that it is in the islands' strategic interests and consistent with their standing as responsible jurisdictions to commit to further the accessibility and transparency of their registers of beneficial ownership for companies in line with international standards.

- 2.18 In addition, the P&RC worked closely with its counterparts in Jersey and the Isle of Man to develop legislation and guidance, to address issues raised in 2017 by the EU Code of Conduct Group in relation to economic substance. The P&RC approved Guernsey's commitment to the OECD's Base Erosion and Profit Shifting Project and committed to country-by-country reporting. Furthermore it signed the OECD's Multilateral Instrument to Implement Tax Treaty Related Measures to Prevent Base Erosion and Profit Shifting. Following a process of detailed technical evaluation, in 2019, the Economic and Financial Affairs Council of the European Union ('ECOFIN') [reaffirmed its previous decision](#) that Guernsey is a cooperative jurisdiction with respect to tax good governance. ECOFIN's decision confirmed that not only does Guernsey meet the international standards of tax transparency, the principles of fair taxation and is committed to fighting base erosion and profit shifting, but now also addresses any concerns that profits were not commensurate with the actual economic substance in the Island.
- 2.19 The P&RC provided political oversight of further work to enable Guernsey to continue to fulfil its commitment to meeting international standards and to maintain and enhance the Island's standing as a stable and reputable place to do business. This included work to further strengthen the Bailiwick's approach to financial crime through the development of a National Risk Assessment, by developing new sanctions [legislation](#) (used for the first time earlier this year to make new sanctions Regulations), and through the revision of the Financial Supervisory and Regulation Laws. The P&RC also developed proposals for the supervision of charities and non-profit organisations, which will enable the P&RC to make Regulations to that effect.
- 2.20 The P&RC sought to strengthen Guernsey's constitutional resilience through a period of political instability overseas. This included securing reaffirmation from the new UK Government that it cannot legislate for Guernsey without its consent, which recognises the existing and long-held constitutional position.
- 2.21 The P&RC has worked to maintain and enhance Guernsey's relations within the Bailiwick including through the Bailiwick Council, Alderney Liaison Group, and Sark Liaison Group.

- 2.22 The P&RC has facilitated joint working with Jersey including in healthcare, justice and home affairs; in policy development and performance reporting; and through the Channel Islands' Public Service Board.
- 2.23 The P&RC has undertaken work to support the maintenance and investigation of options for the expansion of air and sea links. In late 2016 and into 2017, the P&RC undertook a strategic review of Aurigny, making recommendations which included focusing Aurigny towards economic enablement and reduced losses. In 2018, following a States' Resolution, the P&RC commissioned PwC to undertake an independent review of the strategic infrastructure of air and sea links. The following year, the P&RC submitted a [policy letter](#) on the Review of Strategic Air and Sea Link Infrastructure. The States agreed not to take forward work on the airport runway extension but to look at further work on sea links contingency planning, especially in the context of the sale of Condor; this work is ongoing.
- 2.24 The P&RC has worked to ensure the States' approach to population management supports the achievement of the States' strategic objectives, by establishing a cross-Committee panel to review the Population Management Law.
- 2.25 The P&RC has sought to make Guernsey more inclusive by supporting the work of States' Committees leading on social policy reform – including in disability and equalities legislation, and policy in education and health – and itself developing proposals including [marriage](#) and [matrimonial causes](#) legislation reform.
- 2.26 The P&RC has taken action to improve transparency in the policy and legislation process, overseeing the publication of more detailed information on the process of [prioritising legislative drafting](#) items. The P&RC is also overseeing work to publish in a similar manner information relating to extant States' Resolutions.
- 2.27 The P&RC has worked to promote good governance within the public service, commissioning independent reviews into its own [governance](#) and that of the [Committee for Health & Social Care](#), and the [Committee for Home Affairs](#). Catherine Staite, Professor Emeritus in Public Management, University of Birmingham, carried out these reviews and, at the time of writing, is undertaking a review of governance within the Committee for Education, Sport & Culture.
- 2.28 The P&RC commissioned an independent panel to [review](#) the governance of the States' Arm's Length Bodies. The panel is due to conclude its work later this term.
- 2.29 The P&RC reviewed the relationship between the States and the Law Officers of the Crown, which led to the establishment of a memorandum of understanding in place since 2018 and which is reviewed annually and has been [published](#).
- 2.30 Through the [Douzaine Liaison Group](#) ('DLG'), the P&RC has worked to maintain and improve the relationship between the States and the parish authorities.

- 2.31 The P&RC led and coordinated work across the States to unlock the potential of the [Seafront Enhancement Area](#) ('SEA'). A policy letter, reporting on progress and proposing the establishment of the Seafront Enhancement Committee as a States' Investigatory and Advisory Committee, was [published](#) in March 2020.

### **3. Challenges and issues to be addressed in the next political term**

#### **Future Guernsey**

- 3.1 The P&RC has provided commentary on the progress of the Future Guernsey Plan in the 'End of Term' policy letter to which this report is appended. The successor Committee, as it undertakes the continued development of the Future Guernsey Plan, is advised to reflect on the P&RC's End of Term commentary.

#### **Public finances and resources**

- 3.2 Further to the recent review of the fiscal policy framework, the P&RC will need to continue to address the enduring and developing fiscal pressures facing the Island. The States has directed the P&RC to undertake in 2020-2021 a review of revenues to ensure the tax base is capable of raising sufficient revenues to meet long-term government expenditure needs in a sustainable manner within the boundaries of the Fiscal Policy Framework. The review and its recommendations will be presented to the States by no later than June, 2021. As identified in the Review of the Fiscal Policy Framework, there needs to be a managed and coordinated programme of prioritisation and implementation of revenue and expenditure aspects of the States' in-principle policy decisions, with these aspects incorporated into the MTFP and Annual Budgets to allow for relative prioritisation of resources and implementation of revenue raising.
- 3.3 The P&RC will need to develop a new MTFP for the period 2021-2024. The MTFP should include a proposal to rationalise the structure of the Reserves so that, as far as possible, they are collapsed into a single Reserve with the States being asked to approve a scheme of uses and delegation. A simplified structure would increase flexibility around the use of funds and provide clarity on uses authorised by the States and delegated authority.
- 3.4 In the 2020 Budget Report, the P&RC commented on the value of the 'oversight groups' established with other Committees, which provide for regular dialogue on budget submissions, policy priorities and resourcing. The P&RC recommends that these groups should continue into the next States' term.
- 3.5 Following the first taxation of motoring [policy letter](#), market testing for distance-charging solutions needs to be completed, with a trial due to commence in 2020.
- 3.6 The P&RC is due to oversee the modernisation of the personal income tax system and the move to a system of [independent taxation](#), while retaining the ability for

married couples and co-habiting couples with children to transfer unused tax allowances between them.

- 3.7 The P&RC, working with the Committee *for the* Environment & Infrastructure, should continue to support the development of a [Long-Term Infrastructure Framework](#), which will establish the parameters within which other, more detailed policy will operate. This framework will help the States to look ahead when making infrastructure decisions and ensure that investment is aligned and delivers the greatest value to the Island. Work is ongoing to identify long-term principles and enabling goals. A report to the States is expected in the new term.

#### **Public Service Reform**

- 3.8 The P&RC will continue to provide political oversight of Public Service Reform. The Chief Executive's Annual Report will provide a Public Service Reform update.
- 3.9 To better enable the P&RC to exercise its duty to advise the States in respect of its role as employer, the P&RC commissioned a significant piece of research to compile a detailed understanding of the various employment terms and conditions in place across all employee groups within the organisation. The P&RC will need to continue its work evaluating the options to simplify the employment terms in the public service, preparing for forthcoming equalities legislation. The P&RC will be able to draw on this research to develop proposals to harmonise public service terms and conditions to address disparities in pay, terms and conditions, and improve organisational efficiency and value for public money.
- 3.10 The P&RC will have the opportunity to resume work undertaken following an [Amendment](#) by Deputies Le Clerc and Soulsby to the Policy & Resource Plan 2019 Update, to develop a protocol for the relationship between States' Members and senior officers of the civil service. A [working group](#), which included political and civil service representatives, made recommendations on the development of such a protocol. The P&RC considered a draft protocol in late 2019, and its successor will have the opportunity next term to further develop the protocol.

#### **Other mandated responsibilities**

- 3.11 The UK has now left the EU and is in a transition period. Consequently, the P&RC will need to [continue to represent the Bailiwick's interests](#) as the UK negotiates its future trading relationships. The P&RC will lead and coordinate this work supported by the Future Partnership Delivery Group and the Trade Policy Advisory Panel; and will need to maintain and review the States' contingency plans throughout the UK's transition period in case the UK and EU do not reach a trade agreement or if any agreement causes disruption to the island's supply chains. To ensure Guernsey is best-placed to manage external developments, the P&RC will need to maintain and enhance engagement with the UK Government, and with the EU and France through the [Channel Islands Brussels Office](#) and the [Bureau des Iles Anglo-Normandes](#). The P&RC will also need to strengthen further

Guernsey's relationships within the Bailiwick and with Jersey and the Isle of Man.

- 3.12 Following the [States' debate on territorial seas](#), the P&RC is under [States' Resolution](#) to investigate the potential transfer of Guernsey's foreshore and seabed from the Crown to the States or another suitable person or entity. The possibility of claiming EEZ (exclusive economic zone) rights beyond the extended territorial sea to the north/west of the Bailiwick could also be considered.
- 3.13 The P&RC will need to provide political oversight for planned evaluations from the OECD and Moneyval, as well as the States' response to the recommendations of the Confiscation and Forfeiture Review and the [National Risk Assessment](#).
- 3.14 The P&RC, in consultation with the Committee *for* Economic Development and the States' Trading Supervisory Board, will need to conclude work to develop a coordinated and coherent [government framework](#) that considers all aspects of air route operation and support that is under the control or influence of the States. The P&RC will also need to complete the assessment of the Committee *for* Economic Development's recommendation for the Public Service Obligation contract for the Guernsey-Alderney air route service and patient transfer service.
- 3.15 The P&RC will also need to take forward work on the [review](#) of the 1948 Agreement, and the financial relationship with Alderney.
- 3.16 Under the P&RC's recently-published SEA proposals, the Seafront Enhancement Committee, to be chaired by a member of the P&RC, will present to the States by December, 2021 a long-term development strategy for the East Coast.
- 3.17 The P&RC's investigation into unlocking the potential of the Leale's Yard Regeneration Area is [on hold](#) pending completion of a [Development Framework](#). Recommendations should be presented to the States as soon as possible in the new term and no later than the end of 2020.
- 3.18 The P&RC is under [States' Resolution](#) to establish an independent review of the remuneration of States' Members and Non-States' Members.
- 3.19 Following the [transfer](#) of responsibility for the States' property portfolio, the P&RC now has a greater role in developing the States' property strategy, asset management portfolio, and capital requirements of the future.

#### **4. Extant States' Resolutions**

- 4.1 A list of extant States' Resolutions is appended to the 'End of Term' policy letter.

#### **5. Operational functions**

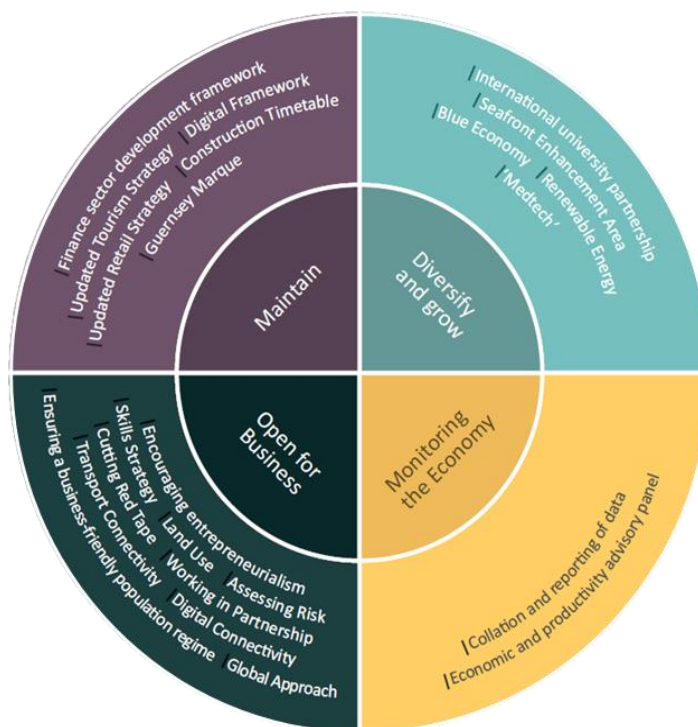
- 5.1 A public service update will be provided in the Chief Executive's Annual Report.

## Handover Report

### 1 Introduction

1.1 Through the development and ongoing implementation of an Economic Development Strategy,<sup>1</sup> the Committee for Economic Development (CfED) has been able to deliver focussed economic growth initiatives centred on Guernsey's core competitive values of stability, quality and innovation. As a result, the CfED has delivered success in four key areas:

- **Maintain and Develop** - building on what we do well now in existing economic sectors and enabling development in those areas;
- **Diversify and grow** - achieving diversification into new areas of economic activity to secure long-term prosperity;
- Reaffirming that Guernsey is **open for business** through the actions we take; and
- More actively **monitoring and reporting** on our economy, using those insights to inform our actions.



#### 1. Overview of the Economic Development Strategy

1.2 The CfED has been able to achieve significant progress in all of these areas, which are highlighted in this report, as well as setting out what needs to continue into the next term. The areas closely link to the States agreed policy priorities for 2017 – 2021<sup>2</sup> as set out in The Future Guernsey Plan.

<sup>1</sup> [States Economic Development Strategy](#), approved by the States in July, 2018: Billet d'État XV of 2018.

<sup>2</sup> [The Future Guernsey Plan](#) approved by the States in November, 2017 and updated annually.

- 1.3 The CfED developed an Economic Development Strategy which was approved by the States of Deliberation in July, 2018, followed by an Implementation Plan which set out the CfED's critical, important and beneficial priorities.<sup>3</sup> Economic Development is a policy priority area in the Future Guernsey Plan and an extensive amount of work to implement the strategy has been progressed during this political term.
- 1.4 The CfED has actively moved to a model where it develops strategies and action plans in collaboration with the business representative bodies and business sectors, and where it supports the delivery of those action plans through partnership. In areas such as retail, tourism and hospitality, this has meant that a different kind of approach and use of resources has been needed. This has been enabled by the States of Deliberation agreeing an overall economic development strategy with prioritised initiatives in 2018. This in turn has enabled the CfED to work to that States-agreed strategy and to deliver its mandate with greater flexibility.

## **2 Finance Sector Development**

- 2.1 The Finance Sector is an important sector within the local economy that employs a significant number of skilled workers and is a key driver of economic growth. The CfED has commissioned an update of the International Capital Flows report, which sets out the contribution made by Guernsey's fund sector to the UK and EU economies. This will enable the Island's finance sector to demonstrate its positive contribution to growth and prosperity in the UK and Europe. The CfED also anticipates commissioning reviews in respect of the Insurance and Fiduciary sectors, in addition to a review of the Banking sector in 2020. The CfED has worked closely with Guernsey Finance and industry – primarily through the Guernsey International Business Association – to support the protection, enhancement and promotion of the finance sector including during Brexit negotiations and the States' work on economic substance.
- 2.2 Legislation implementing amendments to the insolvency provisions of the Companies Law have been enacted and work has continued on the development of insolvency rules to complement these changes. A policy letter on further amendments to the Companies Law has been submitted to the assembly and legislation is being prepared to effect this. The CfED has also been progressing the development of Limited Liability Companies and intends to present a policy letter, to the States, during Q2 2020.

## **3 Air and Sea Links**

- 3.1 Air and Sea Links is a policy priority within the Future Guernsey Plan and the Economic Development Strategy; the strengthening of air and sea links to the

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<sup>3</sup>[Implementing the States of Guernsey's Economic Development Strategy](#), approved by the States on 28<sup>th</sup> November, 2018: Billet d'État XXV of 2018.



Island is critical to ensuring that Guernsey remains **open for business** and is considered an excellent destination of choice. The Air and Sea Route Policy Development and Investment Objectives<sup>4</sup> was approved by the States as was the quasi-open skies policy letter.<sup>5</sup> This has led to the introduction during 2019 of six new routes and has resulted in a 6% increase in air passengers to the Island, and the announcement of an additional new route for 2020. Further work with the airlines continues to establish further new route opportunities to the Island to maintain and improve existing connectivity.

- 3.2 The CfED's work on the Alderney Public Service Obligation air link has been completed and work on a cost benefit analysis of an extension to the Guernsey airport runway has begun in response to the Kuttelwascher Requête. The cost benefit analysis work is to be completed in time to allow a policy letter to be presented to the States assembly for consideration by May, 2020.
- 3.3 A new inter-island ferry service, with limited States underwrite, was trialled in 2018 and work is progressing with Condor Ferries to agree the terms for an extension to the 2014 Condor Operating Agreement.

#### **4 Guernsey Tourism**

- 4.1 The Guernsey Tourism Ten Point Plan 2020-2025 sets out the actions necessary over the next five years to help deliver against five strategic aims.<sup>6</sup> A recent rebrand now promotes 'The Islands of Guernsey', and highlights the unique experiences offered when visiting all five islands, including Guernsey, Alderney, Sark, Herm and Lihou.
- 4.2 The CfED has enjoyed real recent success in raising Guernsey's profile through additional investment in marketing activity capitalising on 'The Guernsey Literary and Potato Peel Pie Society' film, and the reopening of Hauteville House. The CfED has built on this success by providing a modest amount of seed funding for the film adaptation of Victor Hugo's book 'The Toilers of the Sea'.

#### **5 Digital Connectivity**

- 5.1 Digital Connectivity is a policy priority within The Future Guernsey Plan and is an initiative that will **maintain and develop** the existing sectors of the economy as improved connectivity increases innovation and productivity and is vital to business. In May, 2018 the CfED published the Future of the Telecoms Strategy which set out policy ambitions in respect of provision of fibre to business districts, provision of high quality super-fast broadband and provision of next generation mobile (5G). The CfED has committed to bringing a policy letter to the

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<sup>4</sup> [States-of-Guernsey-Air-and-Sea-Route-Policy-Development-and-Investment-Objectives](#) approved by the States December, 2018: Billet d'État XXVII of 2018.

<sup>5</sup> [Review of Air Transport Licencing](#) approved by the States July, 2018: Billet d'État XIX of 2018.

<sup>6</sup> [Guernsey Tourism - Ten Point Plan 2020-2025](#) published on 5<sup>th</sup> February, 2020.



States on 5G technology, including licence conditions and criteria, by the end of 2020.

- 5.2 In addition, the CfED published the Digital Sector Strategic Framework which contained a number of key objectives; work is underway to refresh the framework. Smart Guernsey economic development initiatives will need to be supported to maximise exciting opportunities in areas such as Fintech, HealthTech, RegTech<sup>7</sup> and EdTech<sup>8</sup>. These initiatives are now big business in most of the world's financial centres so Guernsey needs to continue to remain a competitive place for financial business alongside places like Singapore and Dubai and it can do this by investing in these technology projects.

## **6 Supporting Entrepreneurship**

- 6.1 Guernsey must maintain its reputation for being **open for business** and to support this the CfED has taken a new approach to delivering an entrepreneurial ecosystem. It has reviewed the existing arrangements for advice to businesses and has developed new partnerships with Barclays Eagle Labs, Blenheim Chalcot, the Digital Greenhouse and the Guernsey Chamber of Commerce to foster and encourage new business. A proposal for a new entrepreneurship delivery model, linked to the work on digital connectivity, has been developed and implemented. There is an exciting new opportunity to work with Scale Space in the UK to extend the reach of the Guernsey entrepreneurial ecosystem to really put Guernsey on the map in terms of innovation.

## **7 Skills Strategy**

- 7.1 To fully support innovation and entrepreneurialism, Guernsey must ensure that its working population has the skills required by local business. The CfED is working with the Committee *for* Education, Sport & Culture (CfESC) and has produced a Skills Strategy Action Plan. Reports will be commissioned on skills training and lifelong learning which will provide the evidence to identify how to ensure there is an appropriately skilled workforce which matches the needs of business. The CfED considers that work should continue with the CfESC and other partners, as well as the Guernsey Institute, to deliver the Skills Guernsey Action Plan.

## **8 Seafront Enhancement**

- 8.1 While this is one of the States' overall areas of focus, the CfED has made a significant contribution to the Seafront Enhancement Area (SEA) work. While work on the six sites for improvement continues, the larger prize rests in the enhancement of the wider seafront area. The future ports requirements work

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<sup>7</sup> Regtech: regulatory technology that uses IT to enhance regulatory processes within the financial industry.

<sup>8</sup> Edtech: educational technology that combines IT tools and educational practices aimed at enhancing learning.

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stream will complete by the end of 2020 and will inform the strategic direction of the SEA. Economic development opportunities relating to: leisure boats, super yachts, cruise ships, retail, arts and culture, fishing and renewable energy will ensure that we are taking full advantage of what our attractive seafront has to offer.

## **9 Blue Economy**

- 9.1 Currently, Blue Economy research is being undertaken to identify initiatives to **diversify and grow** the economy through innovative ideas of how to make optimal use of the surrounding waters. Opportunities for the huge potential that the Blue Economy could offer have been identified and an initial action plan agreed but further work needs to be carried out on the action plan to identify short, medium and long term objectives. Some of these opportunities are linked to the SEA, for example, the improvement and expansion of the marina facilities but also renewable energy in the form of Tidal, Wave and/or Offshore Wind Power. This is intrinsically linked to the creation of a Marine Spatial Plan, which if supported, will need to be achieved through collaborative working with the Committee *for* the Environment & Infrastructure.

## **10 Health Tech**

- 10.1 Other work streams that the CfED considers **important or beneficial** to the economy, include working together with the Committee *for* Health & Social Care on Health tech and the private health care offering. A partnership between the States of Guernsey and Blenheim Chalcot will help to **diversify and grow** the economy through the establishment of an Innovation Centre which will make a significant contribution to the sustainable healthcare model whilst also offering economic development opportunities. In conjunction with the Committee *for* Health & Social Care, the CfED has produced a guide on the Cultivation and/or Processing of Cannabis and Cannabis Derived Products and would wish to continue to support the emerging industry.

## **11 Red Tape**

- 11.1 It is vital that the local economy is supported by ensuring that the Island remains **open for business**. A significant part of that is to ensure that the levels of red tape are appropriate for anyone looking to conduct business in Guernsey. The CfED has established a Red Tape Working Party which examined Guernsey's ranking on the World Bank Ease of Doing Business Index – Guernsey placed 15<sup>th</sup> out of 191 world economies. This ranking is something Guernsey should be proud of, but it is important to continue to progress the recommendations.

## **12 International University**

- 12.1 To enable the economy to **diversify and grow**, work is progressing on an exciting new initiative to establish an international University presence on the Island through partnership with prestigious long-established universities both in the UK but also world-wide. A number of universities have indicated a keen interest in
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partnering with the Island to provide unique opportunities for students to come to the Island to study. The University could provide work-based learning and industry-based research opportunities which would enhance research, academic and business development in Guernsey. The CfED has commissioned a feasibility study by Oxentia, Oxford University's global innovation consultancy, which will be carried out during 2020 to evidence the viability of establishing an international university. The CfED recommends that the next Committee reports back to the Assembly once the feasibility study is complete.

**13 Guernsey as a Place to Live and Work**

13.1 The Island has a huge amount to offer in terms of being an attractive place to live and work. In 2019, Locate Guernsey was responsible for 35 relocations and £1.2 million in document duty alone was returned to the exchequer. In 2019 the Locate team hosted a London showcase with Lord Digby Jones as the key note speaker. The agency has ambitious plans in 2020 to build on the success of the past four years.

13.2 The CfED has worked with Population Management to ensure that population policies act as an economic enabler. It has undertaken a review of the impact of the Open Market and has also contributed to the review of the Population Management Law to ensure that the policies complement the needs of business and individuals to ensure we remain **open for business**. More research is required to identify the further potential of the Open Market to act as an economic enabler.

**14 Retail Sector**

14.1 As well as focussing on attracting business to the Island, the CfED has not neglected what is already going on within the Island. The retail sector is important in terms of **maintaining and developing** the economy as well as ensuring the Island is a vibrant place to live with choice for consumers. The UK is experiencing challenges on the High Street as it competes with internet shopping and Guernsey is not immune to that. Following consultation with the retail sector, and a public survey, the CfED has developed a Retail Action Plan in conjunction with the newly formed Guernsey Retail Group (GRG). This is a significant step towards creating an industry owned and developed action plan to cover all retail sectors in the island. The CfED has provided seed funding to enable development of initiatives under the action plan, continues to support skills development opportunities and is working with the SEA Programme to identify retail development opportunities.

14.2 The CfED would recommend focussing attention on the Construction Industry during 2020, through the development of a sector action plan in conjunction with representatives from the industry. The purpose of this will be to identify future demand and ensure that large projects are evenly spread to allow the industry to manage them successfully.

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**15 Monitoring**

- 15.1 The CfED has made progress on a large number of work streams within the Economic Development strategy but, importantly, it has also taken measures to ensure that the work it does is **monitored and reported** to ensure that work progresses at a good pace and that outcomes are being met. The significance of this cannot be under-estimated, the performance of strategies and programmes must be measured against key performance indicators to evaluate how successful they are in terms of delivery and value.
- 15.2 The CfED has established terms of reference and the appointment of key business personnel for the Economic and Productivity Advisory Panel. The Panel links top industry on the Island, and the States, to discuss progress on the Economic Development Strategy but it also scrutinises specific issues such as maintaining productivity as well as acting as a sounding board for new ideas. It provides a really valuable 'think tank' through a public/private partnership.

**16 Brexit Policy**

- 16.1 Despite Brexit being a major challenge for the CfED, a significant amount of work has been undertaken to engage with local business and the UK Government to ensure a smooth transition through Brexit. This has resulted in a World Trade Organisation agreement for Guernsey being reached via the UK Government.
- 16.2 Following the passing of 31<sup>st</sup> January, 2020, the CfED must continue to engage with local business and maintain relationships with the UK Government to review the new arrangements. Following withdrawal from the London Fisheries Convention, the Bailiwick has implemented temporary arrangements giving French fishing vessels continuity of access to Bailiwick waters during the Transition Period. The Bailiwick must carefully track the UK's fisheries negotiations to obtain the best regional arrangements for the industry and the Bailiwick beyond 2020. There will also need to be a focus on developing international trade links through participation in Free Trade Agreements and plans are afoot to develop an industrial strategy to embrace the exporting sector and financial services.

**17 What were the challenges?**

- 17.1 The CfED has increasingly become aware that there are a number of economic development opportunities that require cross-Committee working to realise shared goals. The CfED must work at pace to achieve the targets agreed by the States which can prove difficult in an environment with many competing priorities.
- 17.2 Brexit has been a significant challenge in itself but especially so for the Island because it has no influence on the timeframes or outcomes. Guernsey has had to adapt swiftly to ensure it continues to maintain itself as a global facing jurisdiction in terms of trade in goods and services. Going forward, one of the
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major challenges that the next Committee will face is how to continue to diversify the economy. The CfED may need to take more risks by supporting innovative business and balancing this against Guernsey's reputation.

**18 Extant Resolutions**

- 18.1 The CfED regularly reviews the list of Extant Resolutions to ensure that the list is as up to date as possible. Following the last review, the conclusion reached is that the remaining ones are still relevant to the business of the CfED and the majority are directly linked to the Economic Development Strategy.

**19 Operational functions**

- 19.1 From an operational perspective, work continues to ensure that officers are undertaking the right operational activities required to deliver the CfED's and the States' priorities, and that they are being carried out to the appropriate standard. The success of this will be dependent on the ability of the States to work across a number of mandates in a proactive manner to deliver government objectives.

**20 The next political term**

- 20.1 The CfED recognises that some work streams will not be completed within this political term and, if supported, will need to be progressed by the next Committee. The CfED has committed to bring a policy letter on the policy on 5G technology, including licence conditions and criteria, to the Assembly by the end of 2020. The CfED also recommends that the next Committee reports back to the Assembly on the international University project once the feasibility study is complete. In addition to progressing the ongoing work streams set out in the Economic Development strategy, such as improving transport connectivity, developing the finance, retail and tourism sectors and promoting entrepreneurialism, there is likely to be further policy work in order to realise the potential of the blue economy and other emerging sectors, in order to take full advantage of the potential opportunities for economic development.

**Handover Report****1 Introduction**

1.1 Alongside delivering its mandate<sup>1</sup> and working towards the agreed outcomes in the Future Guernsey Plan, the Committee for Education, Sport & Culture (CfESC) is also leading on two Policy Priority Areas (PPAs), 'Transforming Education' and 'Improving Educational Outcomes'. This document sets out:

- The CfESC's contributions to: the Future Guernsey Plan outcomes, the CfESC Policy Plan and the PPAs over the course of the political term;
- The work which has been completed to progress policy and legislation and that which will remain outstanding at the end of this political administration, along with anticipated priorities for early in the next term; and
- Some of the operational challenges and opportunities which may present during the next political term of which the incoming Committee will need to be aware.

**2 Education Law review, including secondary legislation and operational policy**

2.1 In January, 2018, the States agreed<sup>2</sup> that the Education (Guernsey) Law, 1970, would be replaced with a law setting out the educational aims and aspirations of a modern society.

2.2 A review of the existing legislation has been undertaken to understand its scope and provisions, identify what works well, what is no longer appropriate and what is missing. The CfESC has considered 40 topics and over 200 recommendations. The review process was overseen by the Education Law Working Group whose membership includes Committee Members, cross-sector education professionals and a legal advisor. Consultation has taken place with employee representative bodies and the general public, the outcome of which has further informed the content of the Policy Letter. At the time of writing it is anticipated that the Policy Letter will be submitted for debate in May, 2020.

2.3 Immediate priorities for the progression of this work stream are:

- Projet de Loi drafting scheduling via the Prioritisation of Legislation Working Group and onwards submission to the States of Deliberation;
- Drafting a policy letter with propositions relating to secondary legislation and updating policies to align with new legal requirements; and
- Finalising the governance arrangements for Lisia School and putting in place a shadow governing body.

2.4 The new Education Law underpins the delivery of many of the CfESC's policy priorities. If the primary legislation is not progressed, the impact will be

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<sup>1</sup> <https://gov.gg/article/152829/Education-Sport--Culture>

<sup>2</sup> Billet d'État II of 2018, Article III

significant and wide ranging, not least because the current law is unlikely to comply with various UN Conventions that the States has committed to extend to Guernsey.

**3 The integration of higher and further education into The Guernsey Institute**

3.1 Following the States resolutions in January, 2018 work has been underway to integrate higher and further education into The Guernsey Institute (TGI), a single organisation comprising the former College of Further Education, the Institute of Health and Social Care and the GTA University Centre. The Executive Principal was appointed in September, 2019 to lead the integration project and the Shadow Board meets monthly.

3.2 TGI's strategic plan has been agreed following wide-ranging consultation. A staff group, chaired by the Executive Principal, has been established and its purpose is to ensure staff representatives from all areas of TGI come together to share information and concerns as they arise.

3.3 Using information from stakeholders the curriculum is being developed to ensure that learning opportunities at all levels are designed to help individuals to achieve their full potential. All mandatory training for the health service and the civil service will be delivered by TGI which will increase capacity and flexibility and further confirm TGI as the one place for all vocational learning, training and development in Guernsey. Liaison is ongoing with the Quality Assurance Agency for Higher Education to work towards gaining degree-awarding powers.

3.4 Immediate priorities are:

- Designing the TGI building with construction tenders considered early in 2021;
- Ratification of the curriculum in order to finalise the organisational structure;
- Development of the corporate support structure once there is clarity on the extent and timescales of TGI's autonomy;
- Calculating potential learner numbers over a ten-year trajectory. Pre-registration numbers for nurse training suggest there is a legitimate opportunity to engage with off-island learners; however an effective and affordable infrastructure will need to be in place to exploit this opportunity; and
- Continuing the drive for excellence, growth and development.

**4 Lisia School**

4.1 Following the States consideration of the future arrangements for secondary and post-16 education in January, 2018, the CfESC submitted a Policy Letter in July, 2019<sup>3</sup> setting out the next steps of the Transforming Education Programme. In

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<sup>3</sup> Billet d'État XVI of 2019, Article VI

respect of Lisia School, the States resolved to delegate authority to the Policy & Resources Committee (P&RC) to approve capital costs up to £77.9million subject to satisfactory business cases.

- 4.2 In December, 2019, after considering the Outline Business Case and detailed project plan P&RC approved funding for the next phase including the launch of the tender process for the construction contract and submission of the planning application for the development of the college sites. The Full Business Case will be submitted by the end of April at which time the construction contract will be awarded.
- 4.3 Changes have been made as a result of feedback from stakeholder groups including staff representatives, Douzaines and residents living close to the college sites, and consultation with key stakeholders is ongoing. Work is underway to plan the transition of staff to the new structure. While there is not yet uniformity in the subjects offered at KS4 across the four existing schools, from September, 2020 where the same subjects are offered, there will be consistency of syllabus and examining board. The joining up of the four schools is also facilitating a common approach in areas such as the Year 9 options process and preparation for the introduction of Attainment 8<sup>4</sup>.
- 4.4 The requirements necessary to facilitate the co-location of health and other services on Lisia School's de Saumarez College and Victor Hugo College sites are well defined.
- 4.5 The formation of Lisia School remains high profile and contentious both publically and politically which presents significant risks. Any delay to the timetable will jeopardise the realisation of the benefits of the model.
- 4.6 Although there are significant challenges, the opportunities arising from Lisia School should not be overlooked by the next Committee. These include:
- Improved educational outcomes leading to greater work and study opportunities and choice in later life;
  - A high-quality learning environment with modern, purpose-built facilities for all students regardless of where they live;
  - A highly skilled teaching workforce attracted to teaching in 11-18 school and a reduction in the need for teachers to teach outside their specialisms or preferred subjects;
  - Improved support for individual needs with significantly more space allocated to supporting students with additional needs and communication and autism bases at both colleges; and
  - Small, vertical tutor groups of 14-15 students, creating opportunities to strengthen pastoral support.

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<sup>4</sup> See [www.gov.gg/attainment8](http://www.gov.gg/attainment8)



**5 Primary Transformation and Review**

5.1 Following a review of primary education undertaken in 2012, the States resolved to move towards a policy of two and three-form entry States primary schools in order to improve educational outcomes, increase efficiency and ensure greater consistency in performance<sup>5</sup>. In 2019 the States further resolved to delegate authority to P&RC to approve expenditure for the redevelopment of La Mare de Carteret primary school, subject to the submission of appropriate business cases which include a review of primary phase capacity across the island<sup>6</sup>. It is anticipated that the new primary school will open in September, 2023.

5.2 The next step to progress this work stream is to undertake a comprehensive evidence-based review of primary provision during late spring and summer 2020 to enable the development and consideration of proposals in the autumn. As with Lisia School, this project is likely to be high profile and contentious, the next Committee is advised to initiate early engagement with stakeholders and the community to ensure there is a clear understanding of the remit of the review and support for the resulting proposals.

**6 Early Years**

6.1 The States Early Years Team was formed in 2016 bringing together teams from Education, Sport & Culture and Health & Social Care. 15 hours of pre-school education funding was introduced in January, 2017 and the Early Years Foundation Stage Curriculum, for children from birth to 5 years old has been introduced. Specialist support has been provided to schools to ensure the strongest foundations are in place for lifelong learning. The Guernsey Early Years Partnership Steering Group has been developed and seven working parties deliver operational outcomes linked to the Children & Young People's Plan and the Future Guernsey Plan Priorities.

6.2 The Early Years Standards Framework has been established for Pre-schools and Day Nurseries and targeted and bespoke CPD continues to be offered to all practitioners and stakeholders to develop capacity. The Early Years Roadmap is being developed. The biennial Joyous Childhood Conference, delivered in partnership with the Guernsey College of Further Education, took place in September, 2019 and was attended by over 200 people working with this age group. The Early Years Service, pre-schools and nurseries and the Children's Dental Service are working together to deliver The Super Smiles programme.

6.3 Immediate priorities are:

- Developing the Early Years Roadmap and introducing an intersectional Early Years Strategy across the States;
- Introducing a Quality Standards Framework for Childminders;

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<sup>5</sup> Billet d'État XX of 2013, Article X

<sup>6</sup> Billet d'État XVI of 2019, Article VI

- Targeted development of improvements for Early Communication and Language in partnership with services across the States via the Raising Early Achievement in Literacy (REAL) project; and
- Continuing to work with partners including the Health Improvement Commission and the Sports Commission to improve outcomes for children under 5 and establish strong healthy habits with families.

## **7 Plans to deliver to the further efficiency savings**

- 7.1 Financial efficiency is the golden thread which underpins the CfESC's decision making, not just as part of the Transforming Education Programme but across wider service delivery. During 2018 and 2019 the CfESC has delivered a total of £545k of recurring savings.
- 7.2 The carried forward budget reduction to be made by the CfESC at the start of 2020 was £3.62m. During 2020 savings of £555k are expected, of which £315k has already been realised due to the reduction in funding for the Grant-Aided Colleges. Further savings amounting to £240k are being delivered during the year, £220k of which will come from the post-16 sector.
- 7.3 At the end of 2020 the carried forward budget reduction allocated to the CfESC will be £3.065m. Further savings are expected to be generated from the Transforming Education Programme: Lisia School is expected to realise £800k of savings by 2023/24 compared with the status quo; £1.2m of savings are expected from TGI over the period 2023-2025; and changes resulting from the review of primary provision are expected to generate £400k of savings between 2024-2025.
- 7.4 The reduction in funding to the grant-aided colleges as part of a 7-year agreement is expected to be £1.7m for the period 2021 – 2026 and a review of the apprenticeship scheme at TGI is expected to generate savings of £250k during the period 2021-2023.
- 7.5 The immediate priorities in respect of the CfESC's finances are:
- Ongoing budgetary pressure resulting from the projected increase in the size of the pupil population at Lisia School, which is forecast to peak in 2025/26 with an increase of 300 pupils compared with 2019/20;
  - A Special Educational Needs and Disabilities (SEND) review is being undertaken during the first half of 2020, the findings could recommend further investment in SEND provision; and
  - The findings of a review of the structure of the Education Office may also indicate the need for investment.

## **8 Development of an Arts Strategy**

- 8.1 The CfESC has worked in collaboration with the Guernsey Arts Commission (GAC)

and the Guernsey Community Foundation to establish an Arts Strategy Working Group and to define the way forward for the Arts in Guernsey. As a result, the GAC has been re-focussed and is working to a new set of strategic objectives.

- 8.2 As new governance arrangements are in place, the focus for the new Commission will be to work with its partners, including the next Committee, to develop an Arts Strategy for the Island. This will likely require States approval.

## **9 Heritage Strategy**

- 9.1 The CfESC was not able to resource the full development of a comprehensive Heritage Strategy during this political term and has continued to operate in line with the existing strategic plan.

- 9.2 The CfESC has begun discussions in relation to securing the Island's Occupation artefacts and that work is advancing. It will be for the new Committee to consider whether it wishes to prioritise the development of legislation relating to the export of cultural goods within the overall priorities of the next Assembly. Various models for different ways to manage and operate the Heritage portfolio have been discussed, including the concept and potential benefits of a Heritage Trust (or similar). Resources will need to be prioritised by the next Committee if this work stream is to be developed early during the next political term.

## **10 Funding arrangements of the grant-aided colleges**

- 10.1 Grant Agreements exist between the States of Guernsey, acting by and through the CfESC, and Elizabeth College, Ladies College and Blanchelande College. Each Grant has two elements: a fees element to cover special place holders; and a general transitional grant which is non-specific and is provided on the basis of the benefits derived from the colleges to the States, the education system and families of the college. The current Agreements are for a period of 7 years ending 31<sup>st</sup> December, 2026 and the combined value of the 2020 Grants is approximately £4.0m.
- 10.2 A Policy Letter will be submitted before the end of the current political term proposing a way forwards for the post-2026 period.

## **11 Restructuring the Office of the CfESC**

- 11.1 As part of the consideration of the future arrangements for secondary and post-16 education in January, 2018, the States resolved to devolve governance to Lisia School and TGI, and agreed that the CfESC's focus would be on 'central government' functions. This, coupled with changes in the Civil Service, has led to the requirement for a review of the structure of the Office of the CfESC. A Target Operating Model for the Education sector has been completed and options for implementation have been agreed.
- 11.2 It will be necessary to implement the Target Operating Model to best support

the education community and the CfESC. It will be for the next Committee to agree the appropriate timing for the devolution of accountability to Lisia School and TGI.

**12 Local language strategy**

- 12.1 Recognising that Guernésiais forms part of our unique identity as people of Guernsey and continuing the link between our language and islanders' sense of identity needs government support. The CfESC presented a policy letter to the Assembly in April of this year seeking £300k to fund a new, formally-established Guernsey Language Commission.
- 12.2 Subject to States' approval, the new Commission is due to be formed in the summer of 2020. It will be for the next Committee to ensure that it is adequately funded to deliver results through a structured approach using proven methods, with well-defined objectives and measurable outcomes.

**13 Sports strategy**

- 13.1 In line with the States Resolution<sup>7</sup> as part of the update to the 2017 Future Guernsey plan, the CfESC presented its ambitious Active-8: A Plan for Sport Policy Letter to the States in April, which included a funding bid of £1m to support its delivery. The Plan is designed to implement the CfESC's aims to Create Opportunity; Build Community and Support Excellence in sport and physical activity (aligned with other Government strategic aims to achieve a healthier and happier community) through the delivery of eight clear objectives.
- 13.2 It will be for the next Committee to work in collaboration with delivery partners to ensure that the agreed actions are being delivered and that progress is monitored.

**14 Aligned with the Priority areas in the Future Guernsey Plan, the CfESC has supported:**

- 14.1 **Castle Cornet capital programme:** including significant building maintenance within the Castle, enhancement, modernisation and improvement of displays and facilities to improve both the visitor experience and accessibility (subject to audit/survey). Major works on repairing the Maritime Museum roof are in progress and this work is currently scheduled for completion in September 2020.
- 14.2 Options for improving access to various areas within the Castle grounds have been assessed and, subject to budget estimates, a proposed plan of works will be prepared. Following safety concerns about the rapid deterioration of the Castle Bridge, a Project Board has been formed with a view to bringing the two projects together to ensure coordination and efficiency and to minimise

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<sup>7</sup> [Billet d'État XII of 2017, Article I](#)

customer inconvenience. It is anticipated that, subject to further investigation works, planning permission, receipt of satisfactory tenders, and budget approval, work to repair or replace the Bridge will begin in the second half of 2020.

- 14.3 **Footes Lane capital programme:** a programme of works covering three main projects:
- the rebuilding of the athletics track to convert it into an eight-lane 400metre track with improved infield drainage, which has now been completed;
  - maintenance and repair works to the Garenne Stand including the installation of a multi-use accessible viewing platform and accessible toilets; and
  - enhancement of the car park surfacing.
- 14.4 Subject to the receipt of satisfactory tenders following the completion of detailed specifications, the outstanding works will commence in the summer of 2020.
- 14.5 **Attainment 8 and a local form of Progress 8:** The introduction of these performance measures in schools will ensure every grade improvement of every student is equally recognised. They will also allow the progress and attainment of students to be compared more easily with those in England. It will be for the next Committee to ensure the performance measures are implemented and monitored.
- 14.6 **A new schools' inspection framework in partnership with Ofsted:** This will support the introduction of Ofsted as the inspectorate of schools from September, 2020. Pilot inspections will begin in the summer term 2020. It will be for the next Committee to ensure the new framework is embedded, and inspection outcomes are monitored.
- 14.7 **75<sup>th</sup> Anniversary of the liberation and the 80<sup>th</sup> anniversary of the evacuation in 2020 and the Island Games in 2021:** all arrangements are in place to facilitate preparations for these three significant events. It will be for the next Committee to monitor progress of the latter stages of the preparation for the Island Games.
- 14.8 **Outstanding Resolutions requiring additional policy or legislation drafting resources:** Subject to the outcome of the Education Law Review policy letter in May, 2020, it will be necessary for the drafting of a Projet de Loi to be scheduled as part of the legislation prioritisation process at the beginning of the new political term. It will be for the next Committee to oversee the implementation of the new legislation following its enactment.

**Handover Report****1 Introduction**

- 1.1 This report summarises the progress that the 2016-2020 Committee for Employment & Social Security (CfESS) has made within the context of its mandate, the Future Guernsey Plan, and extant States' resolutions and legislation. It indicates work streams that the CfESS believes its successors will need to continue to address and prioritise.
- 1.2 The first section of the report comments on the policy priority areas (within the Future Guernsey Plan) that the CfESS has had responsibility for and contributed to, as well as other work completed during this term of government.

**2 Policy priority areas**

- 2.1 The updates provided below outline the position at the time of writing. For at least two of these areas, however, there will be further policy letters brought to the States before the end of this political term.
- 2.2 **Access to Secondary Pensions:** The previous (2012-2016) States<sup>1</sup> resolved that a Secondary Pensions Scheme should be implemented in Guernsey and Alderney, to help people to have sufficient financial provision to support themselves later in life, without the need to rely on income support. This is essentially a workplace pension: it complements, but does not replace, the existing States Pension. High level proposals for the scheme were approved last term<sup>2</sup>. Throughout this political term, the CfESS has been developing those proposals, including tendering for a preferred provider to operate the Scheme.
- 2.3 The scheme, called Your Island Pension (YIP), received strong support from the States in early 2020<sup>3</sup>. Work to implement the scheme, by 2022, will need to be prioritised by the new CfESS. The first steps will include drafting legislation to enable the implementation of the scheme; returning to the States with proposals for enforcing employers' compliance with the auto-enrolment duty and the payment of minimum contributions; and appointing the Governing Board of the Trustee of YIP. The scheme is planned to be phased in. It will initially be compulsory for employers with more than 25 employees to auto-enrol their employees (either into YIP or another approved pension scheme). Smaller employers will also be able to enrol their staff, should they wish, but will not be obliged to do so immediately. The defined minimum contribution into the scheme will increase over the first seven years of the scheme's operation, starting at 1% each for employees and employers, increasing to 6.5% for employees and 3.5% for employers by the end of transition.

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<sup>1</sup> [Billet d'État IV of 2015](#), Article I

<sup>2</sup> [Billet d'État III of 2016](#), Volume 3, Article XXV

<sup>3</sup> [Billet d'État IV of 2020](#), Article II

- 2.4 **Disability, Equality and Inclusion:** The Disability and Inclusion Strategy<sup>4</sup> was approved by the States in 2013. Its 12 priority areas (some of which fall outside the CfESS's mandate) aim to improve the quality of life of disabled Islanders and their carers. It seeks to change attitudes towards disabled people and carers so that they can be active and engaged socially, economically and culturally. A core work stream in the Strategy is the development of proposals for legislation to protect disabled people and carers from discrimination. In 2018<sup>5</sup>, the States unanimously agreed to broaden the scope of this work stream to develop policy proposals for multi-ground discrimination legislation. This has been one of the CfESS's highest, and most resource intensive, priorities during this term.
- 2.5 Following extensive research and consultation, detailed policy proposals for the Island's first discrimination legislation, on the basis of disability, carer status and race, have been published. The proposals also seek approval for the future development of discrimination legislation on the grounds of age, religious belief and sexual orientation and for further work to be undertaken to extend existing protection on grounds related to sex (including in relation to pregnancy and maternity), marriage and gender reassignment beyond employment. If the States approve the proposals and the allocation of the necessary financial resources, the new CfESS will need to prioritise resources to implement the new legislation, including the preparation of the legislation, advice and guidance, the provision of training and the development of the necessary advisory and conciliation service and enforcement structure.
- 2.6 Other work streams forming part of the wider Disability and Inclusion Strategy, include: awareness-raising activities; ensuring a range of supported and mainstream employment opportunities for disabled people; and seeking extension of the UN Convention on the Rights of Persons with Disabilities. The CfESS also coordinates a States-wide focus on the public sector's obligations, action plans, and audits. The CfESS hopes its successors will continue to support the delivery of this work.
- 2.7 **Housing Strategy:** The Committee *for the* Environment & Infrastructure (CftE&I) leads on work related to the Local Market Housing Review and development of a Housing Strategy<sup>6</sup>. There is an important overlap with this CfESS's mandate in respect of social rental housing; so, following the 2018 debate, the CfESS has been assisting with the progression of the programme of works. In particular, the CfESS is involved in the key worker housing project; housing for older people (the elderly tenures project); the review of partial ownership; work on the States Strategic Housing Indicator; and the affordable housing development programme. Each of these contribute to the development of a Housing Strategy

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<sup>4</sup> [Billet d'État XXII of 2013](#), Article IX

<sup>5</sup> [Billet d'État XV of 2018](#), Article I

<sup>6</sup> [Billet d'État XIX of 2018](#), Article VIII

for Guernsey, which is due to be completed within two years of its start date (Q3, 2019).

- 2.8 The CfESS's other housing-related priorities include: an operational review of social rental housing and the Guernsey Housing Association (GHA); a strategic review of housing provision; a review of rent setting across States-owned and GHA social rental housing; and the youth housing project. Each of these will also inform the future Housing Strategy.
- 2.9 **Supported Living & Ageing Well Strategy (SLAWS):** In 2016, the States approved the Supported Living and Ageing Well Strategy<sup>7</sup>. This set out a number of recommendations in relation to the provision and funding of long-term care and support services provided to adults in Guernsey and Alderney. The vision set out in the strategy was to have an adaptable and continuously improving care and support system that would be fair, person-centred, enabling, and sustainable. This term, the CfESS has focused on resolutions to reform the funding of long-term care services and ensure the future sustainability of the Long-term Care Insurance Fund. Its proposals will be considered before the end of the political term, providing its successors with a direction for the future of long-term care.
- 2.10 The Long-term Care Insurance Scheme is not financially sustainable in its current form, and is anticipated to run out of funds by 2047. The SLAWS resolutions included the extension of the scheme to pay for care in people's own homes, which further challenges the sustainability of the Fund. Considerable work has been carried out to separate out the costs of care, accommodation, and daily living, in accordance with the SLAWS principle that the cost of care would be paid for by the Fund, while individuals would contribute the full accommodation cost. Several options have been developed, and an increase in social insurance contributions will be inevitable. By also increasing the amount that an individual contributes towards the cost of their care, should help to fairly distribute the additional cost required to ensure the sustainability of the Fund, between the working age population and the users of care services. An equity release, or deferred loan scheme, would also need to be developed as part of the scheme, to protect assets above a specific limit, and any relatives continuing to live in the home.
- 3 Committee mandate, Committee Policy Plan and work streams delivered**
- 3.1 Following approval of the CfESS's Policy Plan in June, 2017<sup>8</sup>, some of its priorities have been delivered, and some have been de-prioritised/revised to fit today's context.

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<sup>7</sup> [Billet d'État III of 2016](#), Volume II, Article XIV

<sup>8</sup> [Billet d'État XII of 2017](#), Article I



- 3.2 During this term, the CfESS has delivered several work streams, many of which related to resolutions inherited from its predecessors. In particular, the CfESS implemented a new system of Income Support in July, 2018, following States' resolutions in 2016<sup>9</sup> and 2018<sup>10</sup>. This amalgamated the former supplementary benefit and rent rebate schemes, meaning that social housing tenants are now charged the standard weekly rent for their properties, and benefit rates better reflect the amount of income required for a household to avoid living in intolerable levels of poverty.
- 3.3 The CfESS also delivered policy proposals to assist people to remain in work longer, which were approved by the States in 2018<sup>11</sup>. The Longer Working Lives proposals aligned with the changes in States pension age, which started to increase from age 65, in increments from 2020, until it reaches age 70 in 2049. It is hoped that in the coming years, those proposals can be implemented, including the introduction of a right to request working and age discrimination legislation, should resources allow. Complementary to this policy, the Supported Occupational Health and Wellbeing project has changed the way that sickness benefit is managed, including the launch of a new medical certificate, and greater engagement with employers and doctors, and better occupational health assessments, to enable people to return to work sooner.

#### **4 Projects and work streams for continuation**

- 4.1 Some of the work streams that the CfESS has been progressing this political term will not be completed ahead of the Election, either due to their size, or a lack of resources to complete them ahead of other priorities. These work streams, which the CfESS hopes to pass on to its successor, are summarised below.
- 4.2 **Contributory benefits:** Every five years the CfESS is legally required to commission an independent actuarial review of the contributory funds. The most recent five-year period ended in 2019, so work is already progressing to undertake the required review, which the new CfESS will need to complete. It will focus on the Guernsey Insurance Fund and the Long-term Care Insurance Fund only (the Guernsey Health Service Fund will cease to exist, as the States agreed in 2019<sup>12</sup> to transfer responsibility for the funding of health services to the Committee for Health & Social Care, (CfHSC)), and may lead the new CfESS to make recommendations relating to the Funds' future sustainability. As well as the Longer Working Lives proposals mentioned above, the incoming CfESS will also need to implement the proposed scheme for funding medical treatment for

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<sup>9</sup> [Billet d'État VII of 2016](#), Volume II, Article IX

<sup>10</sup> [Billet d'État VIII of 2018](#), Article V

<sup>11</sup> [Billet d'État V of 2018](#), Article IV

<sup>12</sup> [Billet d'État X of 2019](#), Article VII

Guernsey and Alderney residents travelling in the UK<sup>13</sup>, subject to approval by the States before the end of this term.

- 4.3 **Non-contributory benefits:** There are several work streams relating to Income Support that are still to be delivered. These include an outstanding resolution from 2019<sup>14</sup>, to return to the States with proposals addressing the future of the benefit limitation and earnings disregard. While progress has been made to increase the benefit limitation during this political term to a point where no families with less than four children are impacted by the cap, there is still further work to do to ensure that benefit rates, the benefit limitation, and the earnings disregard are set at appropriate levels.
- 4.4 The CfESS has commissioned research to update the minimum income standard for Guernsey, which has not been done since 2011. This could be used by the incoming CfESS to inform income support rates in the future. There is also an extant resolution for the CfESS to review the winter fuel allowance<sup>15</sup>, which will ensure that funding is directed as effectively as possible to those who need it most. The CfESS would also like to see the provision of support for debt management and financial advice to assist low income households.
- 4.5 Following a successful amendment in 2015<sup>16</sup>, the CfESS has been working with the CfHSC and the Committee *for* Education, Sport & Culture, to develop proposals for children's services that could be funded by reallocating Family Allowance. The proposals will be submitted to the States by the end of this political term, recommending the provision of funding for a number of children's services, including subsidised GP and nurse appointments, subsidised Emergency Department attendance and treatment costs, free dental check-ups and education, and primary school enrichment activities. The CfESS's preferred method of releasing the budget for these services will be to remove family allowances from families with a household income in excess of £100,000 per annum, but retain it for households with incomes below this threshold.
- 4.6 The CfESS has been developing proposals for a statutory compensation scheme for people diagnosed with asbestos-related diffuse mesothelioma, following another amendment<sup>17</sup>. The CfESS will leave a draft policy letter for its successors to take to the States after the election.
- 4.7 **Disability & Inclusion Strategy Refresh:** The CfESS has been working to progress the priorities set out in the Disability & Inclusion Strategy<sup>18</sup> during this term.

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<sup>13</sup> [P.2020/22](#) (item lodged for future debate)

<sup>14</sup> [Billet d'État XXIII of 2018](#), Article X

<sup>15</sup> [Billet d'État VII of 2016](#), Volume II, Article IX

<sup>16</sup> [Billet d'État XVIII of 2015](#), Article VIII

<sup>17</sup> [Billet d'État XXI of 2019](#), Article II

<sup>18</sup> [Billet d'État XXII of 2013](#), Article IX

While a number of achievements have been made during the last four years, the CfESS is of the view that it is time for the Strategy to be reviewed and refreshed, to demonstrate progress made since 2013, and identify any new priorities that have emerged since its implementation.

- 4.8 The CfESS recommends that its successors seek to bring a refreshed Strategy to the States during 2021, and thereafter once every five years, which is in line with several other States' strategies. The Strategy could be re-launched as 'the Disability, Equality & Inclusion Strategy', which would better reflect the mandate of the CfESS and the scope of the relevant policy priority area, as well as work in progress, such as the development of an Employment and Equal Opportunities Service (subject to States approval). The outcome of the forthcoming debate on the introduction of a new Discrimination Ordinance will inform the future Strategy. It is hoped that the new CfESS prioritises resources to enable this work.
- 4.9 **Housing:** In addition to the CfESS's contribution to the Housing Strategy programme, the CfESS has also prioritised an occupancy review project and youth housing project. The intention of the former is to ensure that social rental housing stock is allocated so that people are housed in an appropriately-sized and -equipped property for their needs. This will involve a cost/benefit analysis of policy options, based on the current housing stock profile, as well as new builds and conversions, to help manage stock efficiently.
- 4.10 The youth housing project provides housing for young people at risk of becoming homeless. As the current contract between the States of Guernsey and Action for Children expires at the end of 2020, work is ongoing to identify the future requirements of the service, any existing gaps in service provision, and suitable key performance indicators for the next five years.
- 4.11 **Health and Safety Executive:** The key priority for the Health & Safety Executive in the coming years is the modernisation of Guernsey's Health and Safety legislation, some of which is nearing 100 years old, along with changes that will need to be made as the UK leaves the European Union. A dedicated resource will be required to progress this work.
- 4.12 **Employment Relations Service:** If the States approves the CfESS's proposals in relation to the introduction of a new Discrimination Ordinance, the Employment Relations Service will be rebranded as the 'Employment and Equal Opportunities Service'.
- 4.13 In 2018, the States set a medium-term plan for minimum wage rates, with two main targets. The first was for the minimum wage to equal 60% of median earnings. This is being implemented in stages, over five years. The second was for the minimum wage rate for young people to be brought in line with the adult rate, over the same timeframe. The medium-term plan was set to give employers

certainty, so the CfESS's successor is likely to wish to see it through, before recommending proposals for the next five-year period, midway through the term.

- 4.14 The CfESS began developing proposals for statutory shared parental leave during this political term. This work was put on hold in 2018, due to competing priorities. The new CfESS may wish to revive this work, as well as the possibility of developing more comprehensive employment protection legislation (including in respect of modern slavery), which the CfESS is keen to see progressed.
- 4.15 **Guernsey Legal Aid Service:** The CfESS believes that a review of the way Legal Aid is provided in Guernsey is overdue. Funding was not granted for this in the 2020 budget, but it remains a priority of the CfESS, and one it recommends to its successor.
- 4.16 **Other work streams:** There are a number of other work streams that are led by other Committees, but that this v will need to contribute to and provide resources for during the next political term. These include work by the Policy & Resources Committee (P&RC) on the fiscal review, the Revenue Service programme, improving living standards, the extension of UN conventions, and revised governance arrangements for States' investments; as well as work by the CftE&I on energy policy.

## **5 Outstanding resolutions and legislation**

- 5.1 A number of the CfESS's remaining outstanding resolutions are linked to the policy priority areas that the CfESS is involved with, as well as several that the CfESS inherited from the last term of government. While it is important that those resolutions are progressed, the CfESS has not always been able to allocate resources to progress them this term due to multiple competing priorities.
- 5.2 At the time of writing, there are three outstanding items of legislation (although this may be added to as a result of the policy letters due to be debated before the end of this term). The first is the Severe Disability Benefit & Carers Allowance (Amendment) Law, 2019, which will allow people receiving carers allowance to receive short-term social insurance benefits simultaneously, as approved by the States in 2018<sup>19</sup>. The Law has been drafted, approved by the States, received royal sanction, and registered in the Royal Court. The final step is the making of a commencement regulation to bring the law into force. This regulation has not yet been made because a computer system change is needed to enable multiple benefits to be paid simultaneously. This is due to be completed in early 2020. The second outstanding item is an Ordinance to change the name of the 'old age

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<sup>19</sup> [Billet d'État XXIII of 2018](#), Article X

pension' to 'States pension', as directed by the States in October, 2019<sup>20</sup>. This is awaiting prioritisation, and will be progressed as soon as possible. Finally, in early 2020<sup>21</sup> the States approved the detailed plans for the Secondary Pensions Scheme, for which primary legislation will need to be prioritised for drafting and approval, ahead of the target implementation date of January, 2022.

## **6 Review of operational functions**

- 6.1 A number of operational changes were made during this political term. The largest of these was the combining of Contributions and Income Tax to create a single collections function called the Revenue Service. The CfESS retains responsibility for policy development in respect of social insurance contributions, but these are collected by the Revenue Service, under the responsibility of the P&RC.
- 6.2 The final phase of transformation, to deliver a fully integrated collections service, still has some way to go. Meanwhile, the relocation of income tax staff to Edward T Wheadon House in 2018, to create a single corporate customer services counter, was a positive step towards improving customer service. As part of this process, it has been important to reduce footfall to the building, so that customers are assisted as efficiently as possible. One key success during this political term was the launch of the Guernsey Uploads app, which allows income support claimants to submit their wage slips online, rather than having to call into the building.
- 6.3 The CfESS has been at the forefront of digital transformation across the States, through the SMART Guernsey partnership with Agilisys. Two digital products have been launched under this partnership: a digital medical certificate and an online unemployment benefit new claim and weekly sign-on. Both of these products make things easier for customers, and also help to reduce footfall to the building. There will be further work on digital transformation during the next political term, to improve services and to generate savings where possible.
- 6.4 The CfESS anticipates further operational challenges for the incoming CfESS, as a number of large programmes of work will need to be implemented, should they be approved by the States this political term. One of the main operational challenges that the CfESS has faced during this political term is the availability of staff to progress its priorities, as multiple projects required the time of the same staff, many of whom are already stretched with busy operational workloads.

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<sup>20</sup> Billet d'État XX of 2019, Article VI

<sup>21</sup> Billet d'État IV of 2020, Article II



## **Handover Report**

### **1 Introduction**

- 1.1 This Handover Report sets out the main policy and operational challenges that the Committee *for the* Environment & Infrastructure ('CftE&I') has faced during this political term and highlights those which are anticipated to arise during the next term. The Report focuses on the actions and priorities that are likely to require a significant proportion of the next Committee's attention.

### **2 Areas of Focus**

- 2.1 The CftE&I is leading on four Areas of Focus ([Housing Strategy](#), [Long-term Infrastructure Investment](#), [Meeting Guernsey's Energy Needs](#), and [Mitigate Climate Change](#)) and jointly leads on the [Seafront Enhancement Area Programme](#). The progress made in the Areas of Focus is set out in the Policy & Resources Committee handover report.
- 2.2 At present, the Future Guernsey Plan prioritises the development of a Long-Term Infrastructure Investment Plan. However, the title of the priority does not demonstrate the level of policy setting required. Therefore, it is suggested that the focus area be renamed the Long-Term Infrastructure Framework to reflect its focus more accurately.
- 2.3 The CftE&I has found progression with the Areas of Focus it is leading challenging. Although the areas are separately identified, there are synergies between some of them which have not been exploited. Sound governance structures must be put in place for each Area of Focus as a matter of priority. This will also help to ensure that progress is made within the deadlines set for each priority. With scarcity of resources a common issue, and given the number of Areas of Focus, consideration should be given in the next term to prioritisation so that resources can be targeted to the most important areas.
- 2.4 More availability of policy writers with suitable subject matter knowledge is required if policy priorities are to be progressed in a timely fashion. Access to this type of resource has been a significant challenge to the CftE&I this term.
- 2.5 The four Areas of Focus the CftE&I is leading are States' priorities rather than the CftE&I's own identified policy priorities. The CftE&I has found the lack of corporate ownership for the Areas of Focus a challenge when addressing resource issues. There is a disconnect between the policy priorities of individual Committees expressed in their Policy Plans and delivery of the States' priorities, which detracts further from the prioritisation of available resources.

- 2.6 Subject to the Climate Change Action Plan and Energy Policy being endorsed by the States, the next Committee will be responsible for the resourcing and monitoring of the prioritised objectives, as well as delivering numerous initiatives within the policy areas. There are also responsibilities in relation to delivery of the Housing Strategy. These should be a priority and are likely to require additional resources to meet the agreed targets. To ensure the work is successful, it is recommended that the CftE&I takes on a co-ordinating role, working with other States committees, individuals, and representative groups.

### **3 Strategy Development**

- 3.1 The [Strategic Land Use Plan](#) (SLUP) takes a long term view of land use and spatial matters over a 20 year horizon. Although approved by the States in 2011, many of its policies have been enacted only through the more detailed policies in the Island Development Plan (IDP) being approved in November 2016. The CftE&I works closely with the Development & Planning Authority to monitor the effectiveness of the SLUP.
- 3.2 Monitoring has shown that the SLUP continues to deliver the States' land use priorities. To ensure the review process is robust, however, it is recommended that the new Committee undertakes direct consultation with other committees, in line with the 5 year review of the IDP, to establish whether the SLUP meets the land use requirements of their policies and strategies.
- 3.3 The CftE&I has within its mandate responsibility for developing policy in many areas that will be encompassed by a Marine Spatial Plan (MSP) including infrastructure, climate change, protection and conservation of the natural environment, energy, and maritime affairs. There is a recognition internationally of the importance of having a robust strategic level MSP. It sets out the long-term agenda for the sustainable development, management, and protection of the marine environment as a strategic resource, and there could be economic and reputational costs in not advancing a MSP in the next political term.
- 3.4 There are increasing pressures on the use of our marine environment. This calls for a coordinated approach, working with neighbouring jurisdictions that have developed their own MSPs.
- 3.5 The complexity of developing this strategy area should not be underestimated. It can only be developed with close consultation with other committees, and appropriate resources and expertise will need to be identified. The CftE&I considers that, given the focus on the Blue Economy in the Economic Development Strategy, joint delivery of this priority with the Committee *for* Economic Development would be appropriate to provide a strong and balanced strategy for the sustainable use of our marine environment.

- 3.6 Although the *CftE&I* has been successful in progressing many environmental policy areas within its mandate, there is no overarching strategy. It recommends that its successor develops an up-to-date high level Environmental Strategy for agreement by the States. This will establish the high level principles and commitments by the States regarding the environment, draw together relevant policy development areas under one direction, and provide the mechanism by which environmental requirements are disseminated throughout the States.
- 3.7 Chouet Headland is safeguarded for possible mineral extraction but for use only should the principle of on-island extraction be agreed. This has not been a Committee priority this term because quarrying of remaining reserves at Les Vardes was expected to be able to continue until 2028.
- 3.8 The quarry operator now advises that current workable reserves at Les Vardes are likely to be exhausted earlier than previously expected and there is now some urgency in determining if the principle of on-island quarrying at Chouet Headland is acceptable.
- 3.9 The *CftE&I*'s previous position was based on evidence that is now at least five years old. It considers that up-to-date evidence is essential to reflect the current and future situation. This will enable a robust consideration of the economic, environmental, and social impacts of a policy change to allow on-island quarrying so that the States can make an informed strategic decision.
- 3.10 Given the reduced timeframe and potential environmental and economic implications, it is recommended that this be highlighted as a top priority in the next political term. The resources required for the gathering and analysis of wide-ranging evidence as well as for the drafting of a Policy Letter will need to be considered.
- 3.11 The *CftE&I* also recommends that consideration is given to the longer-term strategic requirements for waste, water and stone. This would include operational needs set against the demands of climate change, energy conservation, economic, and environmental policy.

## **Environment**

- 3.12 Since the Biodiversity Strategy was adopted in 2016, the focus of its delivery has been on education and awareness, which has yielded significant benefits. However, it has also identified major gaps in the delivery of the Strategy. An amendment to the 2020 Budget was agreed, providing funding for the 'appropriate model and ongoing funding requirement for matters relating the Biodiversity Strategy' which will allow the next Committee to make the delivery of the Strategy more effective.



- 3.13 Work is underway to identify and prioritise the objectives for delivery of the Strategy for the next five years, and identify the resources required. The plan will demonstrate how its objectives support the States policy priorities and other strategies, and fulfil extant resolutions.
- 3.14 The *CftE&I* is concerned about the impact of derelict glasshouses on the natural environment. Although IDP policies facilitate redundant glasshouse removal, their impact is limited. It is recommended that consideration be given, in consultation with relevant committees, to other fiscal and policy levers to encourage redundant glasshouse clearance.
- 3.15 In 2012, the States agreed to introduce water pollution controls under Part VI of the Environmental Pollution (Guernsey) Law, 2004. This included the introduction of standards for the Island's water resources, a licensing system for prescribed (polluting) operations, and enforcement provisions. Appropriate policy resources are now available so the relevant legislation can now be prepared.
- 3.16 The States also directed through the Liquid Waste Strategy that the 'less sensitive area' status of the Little Russel should be reviewed every four years in relation to its suitability to act as receiving waters for discharges from the long and short sea outfalls. The Office of Environmental Health and Pollution Regulation (OEHPR) is best placed to address this resolution, due to its independent regulatory function. This review is now overdue, and it is important that it be commenced in 2020. This will require expert opinion, but no budget or resource has yet been allocated. That will need to be addressed.

#### **4 Infrastructure**

- 4.1 There is a close connection between the *CftE&I*'s mandate relating to infrastructure policy and the operational delivery of infrastructure by the States Trading Supervisory Board. The *CftE&I* recommends that a more formal relationship with the Board is established to consider issues related to both mandates, facilitated by quarterly or bi-annual meetings.
- 4.2 The Coastal Defence Flood Prevention programme has progressed. The next priority, St Sampson, has funding but must be developed in line with the possible development of the Leale's Yard Regeneration Area so that a comprehensive and longer-term solution can be provided for the Bridge area. It is recommended that a comprehensive Bridge Strategy is developed early in the new term, in consultation with the Development & Planning Authority that includes a flood prevention solution together with the traffic, access, connectivity and public realm improvements identified within the [First Periodic Review](#) of the Transport Strategy and the Development Framework for Leale's Yard. This Bridge Strategy should also identify the resources required for its delivery.

- 4.3 The *CftE&I* has responsibility for the operational Coastal Defence Programme which manages the repair and upgrade of the coastal defence infrastructure to minimise the risk of failure. This area has historically been underfunded. Priority has been focused on walls that have a high risk of failure. It is anticipated that it will take a further four to five years to address the highest risk areas. A long-term plan that will form the basis for future projects and funding requests will need to be developed.
- 4.4 Since being transferred into the *CftE&I*'s mandate in 2016, La Vallette bathing pools have been funded through the coastal defence budget, even though they are not a sea defence. This has meant that their maintenance has had to compete for budget with urgent sea defence repairs and maintenance. As well as adding leisure and heritage value, maintenance of the bathing pools supports the delivery of the Seafront Enhancement Area programme, which is a States Area of Focus. It is therefore recommended that the next Committee seeks separate funding specifically for the pools, separate from the Coastal Defence Programme, so that they can be maintained properly. Some investigation would be required to determine the budget required.
- 4.5 Alderney Breakwater forms part of the coastal defensive infrastructure in Alderney. The *CftE&I*'s work in relation to the Breakwater falls into two areas; the regular annual maintenance programme and the long-term strategy for the breakwater. There is a budget for diving inspection and repairs and funding has been secured for a three-year programme of repair to the facing, starting from 2019.
- 4.6 Due to a lack of policy and strategy resource and time constraints largely arising from Brexit, the *CftE&I* has not been able to advance the long-term strategy for the Breakwater. However, the Alderney General Services Committee has confirmed that its focus is now on developing a strategy for the long-term development of the harbour, including the Breakwater. This will have to be considered by the new Committee as it decides on the long-term strategy for the maintenance of the Breakwater.
- 4.7 The *CftE&I* is responsible for the management of Crown and States land including coastal paths, parks, and gardens. Balancing the requirements and impacts of different users on particular areas such as Saumarez Park continues to be challenging. The growth of leisure activities has led to increasing pressure on the natural environment, in particular coastal areas, and is one of the factors which has led to loss of habitat and species decline. It has been agreed that a review of current legislation is required but, due to limited resource, this has not progressed. The successor Committee will need to determine how best to prioritise this piece of work. During this term the *CftE&I* has found it challenging to obtain capital investment for its land portfolio and its successor will need to consider how to balance the prioritisation of sites against available funds.

**5 Travel, Transport & Traffic Management**

- 5.1 The largest piece of work involves carrying out the objectives of the [On-Island Integrated Transport Strategy](#) (ITS) as approved by the States in 2014. As highlighted in the First Periodic Review of the On-Island Integrated Transport Strategy, progress has been made towards the Strategy's objectives, but the absence of the key policy levers designed to encourage change will continue to undermine the Strategy's effectiveness. It is recommended that the successor Committee prioritises the objectives and the work streams that have the highest impact on delivering the highest priority objectives and brings forward recommendations for the introduction of more effective policy levers. A further update on the progress of the Strategy is due to be provided to the States in 2023.
- 5.2 Bus ridership has increased by over 30% since 2015 – an increase of almost 500,000 passenger journeys per annum. The fleet replacement programme is two-thirds complete: 34 of the 41 vehicles in the old fleet have been replaced. The successor Committee will need to complete this programme, ideally once developments in the electric bus market have been realised. The Education Transformation Programme may have an impact on the number of vehicles required.
- 5.3 An allocation of £7.5 million was awarded for the period 2019-2021 for the road resurfacing programme, with £3m already spent in 2019. The successor Committee will need to request additional funding if similar levels of resurfacing are required in 2020 and 2021 in order to improve the standard of our roads infrastructure.

**6 Maritime Affairs**

- 6.1 The Maritime Compliance programme is designed to ensure that the Bailiwick of Guernsey can demonstrate its compliance with the International Maritime Organisation (IMO) Instruments Implementation Code. The UK will be subject to mandatory audit in 2020, during which it will need to show that the Crown Dependencies are also compliant. Proof of a clear strategy, in addition to evidence of implementation, will be the minimum requirement for Guernsey. As part of the UK's audit, Guernsey may be subject to an IMO audit in 2020. The new Committee should be fully prepared for this audit.
- 6.2 Work is progressing well on the development of the Maritime Strategy document, with the CftE&I leading on the policy and Guernsey Harbours and Law Officers undertaking work on operational and legislative matters respectively. However, continued adherence to the timetable and compliance with the IMO Instruments Implementation Code is critical. The programme clearly has reputational risks both for the Bailiwick and the UK, which is why the CftE&I has

identified this as a priority.

- 6.3 The IMO requires the Maritime Strategy to be embedded across the States and this will need to be demonstrated at this audit. To address this and other maritime compliance issues and matters, a Maritime Compliance Steering Group has been established which is led by the CftE&I and draws on staff level representation from across the Organisation. This steering group provides a valuable oversight on maritime issues and it is recommended that the next Committee continues to lead the group.
- 6.4 The International Convention for the safety of Life at Sea 1974 extends to the Bailiwick. Under this convention we have a responsibility to carry out hydrographic surveying and to collect and compile hydrographic data within our territorial waters. Satisfactory arrangements to fulfil all these requirements will be required to be demonstrated at the audit.
- 6.5 To address this, the CftE&I has agreed various recommendations including designating a competent authority for hydrography for the Bailiwick and producing and implementing a risk-based survey plan for Bailiwick waters. Resources have yet to be allocated and this will need to be progressed early in the new Committee's term so that audit requirements can be fulfilled.
- 6.6 The methodology for a risk-based survey is being developed in collaboration with Jersey Harbour Authority to provide a Channel Islands hydrography plan. Ultimately there will be costs associated with any resultant survey work. These costs are difficult to quantify at this stage, but could be shared with Jersey. The IMO audit is carried out on a seven-year cycle and therefore a long-term commitment is required to achieving the Instruments Implementation Code requirements and ensuring the Strategy components are kept updated. The ongoing costs of implementing the Strategy are as yet unknown.

## **7 Planning Inquiries and Appeals**

- 7.1 In July 2019, following consideration of the IDP Requête, the States directed the CftE&I to bring a policy letter to the States on third party representations in the Planning Tribunal process. In the time available it was not possible to undertake in-depth research and consultation and to gather enough evidence to make informed and properly costed assessments of such changes. The policy letter was duly submitted asking the States if they agreed to investigate the options further.
- 7.2 The propositions seek a focused consultation, carried out in consultation with the Committee *for* Economic Development and the Development & Planning Authority, to provide appropriate evidence for the CftE&I to make recommendations to the States no later than April 2021. If the States agrees the propositions, this will be a requirement for the next Committee.

- 7.3      Operationally the CftE&I is responsible for the setting up and administration of planning inquiries and appeals, which is an ongoing legal requirement. In the immediate future significant planning inquiries are likely to be required: in 2020 for the next residual inert waste disposal site at Longue Hougue South and in 2021 for the five-year review of the IDP.



## **Handover Report**

### **1 Introduction**

- 1.1 The Committee for Health & Social Care (CfHSC) is pleased to present this 'handover' report to the States of Deliberation, detailing the anticipated policy and operational challenges that lie ahead within health and social care.
- 1.2 An update on 'The Future Model of Care' Policy Priority Area (<https://gov.gg/futuremodelofcare>) shows how closely the different work streams across Health and Social Care (HSC) are linked to each other, and how they contribute to the achievement of strategic objectives, including those of the Partnership of Purpose for Health and Care across the Bailiwick.

### **2 Transforming Health and Care Services Programme**

- 2.1 The CfHSC has focused significant efforts on progressing the transformation of health and care set out in the 'Partnership of Purpose' ([Billet d'État XXIV of 2017](#)). This directed the CfHSC to 'develop a health and care system premised on a Partnership of Purpose bringing together providers to deliver integrated care which places the user at its centre and provides greater focus on prevention, support and care in the community and makes every contact count'.
- 2.2 Many services provided by HSC are available 24 hours per day, 7 days a week. They serve the whole community, from birth to the end of life. Maintaining good services around the clock, dealing with high-pressure environments and serious consequences, is already a complex and demanding undertaking – but one that is invaluable to the health and wellbeing of the Island's population.
- 2.3 The challenge HSC faces now and in future is exacerbated as a result of exceptionally high public expectation (in terms of service quality and waiting times, for example) and the impact of a demographic that is increasingly older, with more complex health and care needs. Each of these factors drives costs up, and demonstrates the need to think differently and work differently – with key partners across the community – in order to ensure our vital services can remain financially sustainable.
- 2.4 The CfHSC has established five areas of work, and put in place the core staffing resources to support them, which together will address the key issues identified within the Partnership of Purpose. These are: i) Community Transformation (including Primary Care); ii) Hospital Modernisation; iii) Digital Transformation; iv) Continuous Improvement, and v) Regulation of Care. Underpinning all of these areas is the importance of enhanced communication, engagement and partnership working.
- 2.5 Whilst much has been achieved to date and is to be celebrated, the following areas of work remain particularly significant, and in need of further work. The

CfHSC hopes its successors will continue to pursue them, as important enablers for achieving the goals of the Partnership of Purpose:

- 2.6 **Prevention and early intervention:** The CfHSC has prioritised a shift towards prevention and early intervention this term, through a range of public health programmes and funding. Tackling the root causes of poor physical and mental health – including **social determinants** which sit within the mandates of other States committees – is essential to make our future healthcare financially sustainable. More importantly, it addresses major risk factors and improves Islanders' chances of enjoying a long and healthy life. The newly established Health Improvement Commission now plays an important role in promoting positive health and wellbeing in our community and encouraging healthy lifestyle choices.
- 2.7 In support of the above, at the time of writing, the CfHSC is developing its plans for a safe and healthier Guernsey and Alderney where the harms caused by tobacco, drugs and alcohol are minimised and Islanders are empowered to improve their health and wellbeing. Public consultation, and engagement with other States' committees, will conclude this term and will inform the final proposals brought forward to the Assembly early in the next term.
- 2.8 An ongoing series of Joint Strategic Needs Assessments will provide information on the main health and wellbeing issues affecting the population. The first of these, on the health of the over-50s, was published last year. These Assessments offer more robust health intelligence than HSC has had available in the past, and will inform a more preventative and proactive approach to health and care.
- 2.9 **Developing a network of providers:** The CfHSC is already seeing the benefits of embedding the values of the Partnership of Purpose. Some significant and tangible outcomes are emerging from collaborative working to benefit service users. New preventative screening services offered in primary care are good examples of this.
- 2.10 The CfHSC will shortly be announcing plans to establish a mechanism to recognise those public, private and third sector providers that demonstrate shared values and a partnership approach to delivering high quality, user-centred care. This will be an important step in translating the Partnership of Purpose from concept to practical reality.
- 2.11 Ensuring that sufficient resources are available to proactively engage others and embed a collective commitment to the Partnership of Purpose will be an important consideration for the next CfHSC. This would be significantly enhanced by a dedicated website to share information and provide resources about health and care services in a user-friendly and accessible way.

- 2.12 **Health for all: universal, timely and affordable access to primary and community care:** At the time of writing, the CfHSC envisages that it will publish a Policy Letter for debate this political term focusing on universal, timely and affordable access to primary care, with the aim of ensuring that everyone has access to good-quality healthcare when they need it, at rates they can afford.
- 2.13 The Policy Letter will not recommend any structural changes to the ways that services are currently organised or to the independence of providers. It will also seek to protect the good qualities of primary care in the Bailiwick, while addressing a number of factors, which, in the CfHSC's opinion, could make a big difference to Islanders' overall experience of primary and community care, and to their health outcomes, from affordability to information sharing. It is expected that the Policy Letter will identify areas requiring more detailed work and further discussion and engagement among partners, which the new CfHSC may wish to develop next term.
- 2.14 With the support of CfHSC, the States of Alderney has recently commissioned an independent review of primary care services; seeking a model of primary care which provides high quality, flexible and affordable care to the Alderney population. CfHSC has been extensively involved in supporting the Alderney health system this term, both within and outside the scope of 'transferred services', so the outcome will be of importance to the new CfHSC. The report will inform how the practical and financial relationships across the Alderney Healthcare system can evolve in order to best support their particular needs.
- 2.15 **The need for a sustainable funding model for health and care:** The growing proportion of older people in our community has significant implications for our health and care system. People are living longer with increasing frailties and multiple health conditions requiring ongoing medication, treatment or care.
- 2.16 In the context of cost control, many of HSC's overheads are relatively fixed and designed to minimise or eliminate significant clinical risk. The need to provide fully staffed emergency and maternity departments **in case** demand arises at any point illustrates why costs in health care are not always flexible. Many HSC services must respond to demand as it arises, which makes budgeting difficult. Off-island referrals for people with complex health or care needs, and aspects of children's social care work, are good examples where it would be inconceivable to stop provision on the basis that allocated funds were running short.
- 2.17 There are a number of parallel work streams which aim to create a more sustainable funding model for health and care, including the actions arising from the Reform of Health Care Funding ([Billet d'État X of 2019](#)).
- 2.18 The review of long-term care funding, part of the Supported Living and Ageing Well Strategy (SLAWS), is also vital. We need fit-for-purpose long-term care



options that meet the needs of an older population, which are available when needed, affordable to individuals and the States, and of good quality.

- 2.19 There can be no doubt that budgetary pressures will continue to be an important challenge for future committees. The rising demand for services contrasts sharply with the objective of realising savings targets across the States and brings into sharp focus the need to find a more sustainable way of longer term budget-setting for health and social care which acknowledges these challenges.
- 2.20 The CjHSC continues to work with the Policy & Resources Committee (P&RC) to explore the reintroduction of a Reciprocal Health Agreement with the UK which has in recent months indicated a renewed willingness to explore. Discussions are ongoing with the Department of Health and Social Care in relation to this.
- 2.21 **Investing in infrastructure:** There is a need to establish, where necessary, the physical infrastructure to support the delivery of transformational aims:
- **Hospital Modernisation Programme** - the States has approved the required funding for Phase One of the Hospital Modernisation Programme ([Billet d'État V of 2019](#)), subject to the production of the necessary business cases. This is part of a ten-year programme to upgrade facilities, improve service delivery and to make more effective and efficient use of resources. This will also deliver the infrastructure necessary to support the implementation of new drugs and treatments for Bailiwick residents (see [Billet d'État I of 2020](#));
  - **Creation of a Principal Community Hub** – whilst progress has been slower than expected in respect of the physical establishment of the principal Community Hub, the CjHSC remains in active dialogue with key partners on how this can be achieved. The case for bringing community services together and to make them more accessible for service users remains as strong as ever. Steps are also being taken to explore the options for the relocation of staff from their existing, inadequate working environments and the development of pilots for new ways of working; and
  - **Housing provision** – the provision of key worker housing tends to aid the recruitment and retention of staff working in health and care. This needs to be prominent in discussions about strategic housing needs. Similarly, the next CjHSC will need support from across the States, to progress plans to provide quality accommodation for service-users, as this important work stream has been challenging to move forward with any momentum.
- 2.22 The CjHSC has been frustrated by the speed of progress in respect of the above and is of the view that the States' strategic property management function should more proactively support committees to make effective use of property assets as an 'enabler' to meet strategic aims. There is a collective corporate responsibility to ensure that States' processes enable action, rather than

introducing unnecessary barriers or added bureaucracy.

- 2.23 **Digital Transformation and use of data:** Effective digital transformation underpins many of the ambitions of the Partnership of Purpose. This involves upgrading ICT infrastructure using an incremental and evolutionary approach in order to deliver new ways of working. It also focuses on how data is captured, recorded and used to enable HSC to work smarter and more efficiently:
- **Procuring a new electronic patient healthcare record system** - the CjHSC wishes to bring to the attention of the States the need for proposals to be brought forward to replace TRAK Care: the key electronic patient healthcare record system used within HSC. A Policy Letter will be required to seek the release of capital funds that will allow a replacement system to be procured and its implementation suitably resourced. Although a detailed Business Case has yet to be completed, the total cost is estimated to be in the region of £15-20m. There is an urgent need to replace the current system due to the weaknesses surrounding its ongoing maintenance, which presents a significant operational risk for HSC; and
  - **Data sharing and data protection** – the CjHSC considers that seamless information sharing between care providers would substantially improve patient experience, and organisational boundaries should not be a barrier to this. Some work has begun but further progress is needed to deliver tangible benefits for service-users. Without this, it will be difficult to deliver increasingly personalised services or to engage people in managing their own health and care, including the development of a Care Passport. Data protection and the interpretation of the requirements arising from the legislation should support rather than hinder efforts to put the service-user at the centre of decision-making when it comes to data capture and sharing. This has not been the CjHSC's experience to date.
- 2.24 **Continuous service improvement:** HSC has a mature programme of work focused on service improvements, working with partners in primary and secondary care, which has been successful in saving money and improving outcomes for service users. Redesigning services across traditional organisation boundaries has challenges, but is necessary to collectively improve the experience of Islanders.
- 2.25 The CjHSC has developed a closer working relationship with the Department of Health and Community Services in Jersey through a Memorandum of Understanding. It considers that there is value in exploring further opportunities to work together strategically to deliver health and care, where there is a shared commitment to do so, by developing the concept of a Channel Island Health Authority.

**3 Other Policy Priorities**

- 3.1 The CfHSC has progressed a number of policy priorities, which complement the aims of the Transformation Programme and support States' objectives.
- 3.2 Significant progress has been made to develop capacity legislation for the Bailiwick with the input of key stakeholders in our community. At the time of writing, a Policy Letter dealing with some supplementary matters is due for debate and the Projet de Loi will return to the States for approval shortly thereafter. Further work will be required to draft a Code of Practice, to establish a training programme and progress the drafting of secondary legislation.
- 3.3 In February, 2019, the Assembly agreed to introduce a regulatory framework for health and care ([Billet d'État III of 2019](#)) and the primary legislation required to introduce such a framework is being developed. The move towards an 'opt out' scheme for organ donation was also approved ([Billet d'État XXV of 2018](#)) and the legislation to give effect to this is currently being finalised. Proposals to make a series of legislative amendments to modernise the Abortion (Guernsey) Law, 1997 are also being progressed.
- 3.4 A review of the funding of drugs, treatments and devices was also concluded and the States has agreed to introduce a change of policy in this area on a phased basis ([Billet d'État I of 2020](#)). Implementing and monitoring this new approach will be important for the future CfHSC, which will be tasked with reporting back to the States on the next stage of work and for working with the P&RC to identify a sustainable long-term funding source.
- 3.5 The priorities of the Children and Young People's Plan (CYPP) have successfully been embedded into operational practice of a number of committees. The CfHSC was pleased to provide a detailed progress update to the States in February, 2019 ([Billet d'État IV of 2019](#)). The States still needs to develop a shared understanding of what it means to be a 'Corporate Parent', across all committees.
- 3.6 The CfHSC embarked on a comprehensive period of consultation on a review of the Children (Guernsey & Alderney) Law, 2008 to inform its recommendations for amendments to the Law to improve the welfare and safeguarding of children. At the time of writing, the CfHSC is developing its proposals for amendments to the legislation to remove delay from the statutory provisions, practices and processes that arise from the Law. This supports a complementary piece of work commissioned by the P&RC, which seeks to address specific issues of delay within the family justice system.
- 3.7 The CfHSC made a commitment to parity between physical and mental health, from the very start of term. A successful amendment to the 2019 Policy & Resource Plan demonstrated a commitment to address identified gaps in primary and secondary mental health services. There are some important areas of work

arising from this analysis that the CfHSC trusts will remain a priority for its successors.

#### **4 Schedule of Extant Resolutions**

- 4.1 The CfHSC regularly keeps under review a schedule of extant Resolutions assigned to the CfHSC.
- 4.2 There is some policy work that the CfHSC has not been able to prioritise to date within its available resources. The Adoption Law Reform was assigned a high priority for legislative drafting but progress has slowed due to resource availability both within HSC and St James' Chambers, and because the review of the Children Law has been prioritised. This work stream, together with a review of public health laws and a review of the Medicines Law, will be important areas of legislative work for the next CfHSC.
- 4.3 As previously advised to the States<sup>1</sup>, the CfHSC has not been able to progress a review of end of life care this political term due to resource availability. Further consideration needs to be given to how best to resource such a review so that this can be prioritised during the next political term. The next CfHSC will also need to consider how it will conduct the review of funding of disability aids, equipment and adaptations [agreed in 2019](#).

#### **5 Supporting the broader objectives of the Policy & Resource Plan**

- 5.1 Much of the CfHSC's work, set out above, supports the delivery of the objectives of the Policy & Resource Plan. For example, the CfHSC has been represented on the Supported Living and Ageing Well Strategy (SLAWS) Steering Group and has successfully implemented a number of the actions arising from the Carers Action Plan, ensuring that operational services align with strategic aims. The CfHSC has also contributed to the reallocation of the Family Allowances budget to fund services for children being taken forward by the Committee for Employment & Social Security.
- 5.2 Much of HSC's work contributes towards efforts to improve living standards and tackle poverty within our community. Ensuring fair access to care, and that income is not a barrier to accessing health care services, is integral to the Partnership of Purpose: in particular the work on primary and community care.
- 5.3 The CfHSC has also gone to great lengths to emphasise a 'health in all policies' approach, acknowledging that fostering an environment that promotes positive health and wellbeing should be a priority for all, not just HSC.

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<sup>1</sup> The CfHSC's Policy Plan, published in the 'Policy & Resource Plan - 2018 Review and 2019 Update', informed the Assembly that it was not able to prioritise the review of end of life care during this political term without additional resources.

**6 The Operational Context and Challenges ahead**

6.1 Operations within HSC are amongst the most diverse and complex of any provided by the States of Guernsey. 2,000 staff are engaged directly in the Service, as well as a number of key partners both on- and off-island who collectively deliver services that the public associate with health and care. Many of the operational challenges within HSC drive the need for the transformations outlined above, and support the successful ‘translation’ of policy initiatives into tangible benefits for service-users.

6.2 **Recruitment and retention challenges:** Challenges surrounding the recruitment and retention have a significant impact on HSC’s ability to deliver high quality, timely and responsive services that meet the needs of the community. Guernsey competes in a global environment for very scarce resources. Great efforts continue to be made to attract clinical staff and key professionals, but recruitment is an ongoing challenge, as is retention. Ongoing difficulties are experienced in adult and children’s social care services, and any time the need for a particularly specialist skillset arises.

6.3 There can be no doubt that health and care services depend on the expertise, enthusiasm and commitment of all members of staff, and the CfHSC wishes to put on record its thanks to all of its staff, who go above and beyond in delivering good health and care for the Bailiwick. The CfHSC welcomes the review being carried out by P&RC into the harmonisation of pay and conditions and hopes that its recommendations to move towards fair and equal pay across different employee groups will support its efforts to recruit and retain staff.

**7 Conclusions**

7.1 The very nature of the services provided by HSC and the importance of these services to the Bailiwick population, including those most vulnerable within our community, presents a complex and demanding operational context for the CfHSC. The experience of outgoing Members is that there is a need to maintain a good balance between understanding and recognising these operational considerations and constraints, and using them to inform decision-making, whilst also maintaining a strong focus on strategic developments and cross-Committee working – taking care of the present, and looking forward to the future.

**Handover Report****1 Committee Support for Policy Priority Areas**

- 1.1 During this political term, the Committee for Home Affairs (CfHA) has led the progression of two of the Policy Priority Areas which are directly aligned to its mandate: Justice and Security & Cyber Security. In addition, the CfHA has supported the Policy Priority Areas of Brexit, International Standards, Strategic Population and the Children & Young People's Plan.

**Justice Policy**

- 1.2 The Future Guernsey Plan identified the development of a Justice Framework as one of the States' policy priorities. The CfHA sponsored an independent review of Justice Policy during 2019 which focused on the core criminal justice agencies and involved extensive research and consultation across the field of justice. At the time of submitting this report, this work was still ongoing, the CfHA hopes that the Justice Review Report and its associated policy letter will be debated before the end of this term.
- 1.3 The CfHA is conscious that the Justice Review Report contains multiple recommendations and opportunities and signals the opportunity for major transformation in the area of justice.
- 1.4 Cross-committee working will be essential for the successful development of a Justice Framework which recognises the interdependencies between criminal, social and family justice and supports and acknowledges the full extent of the positive work that is being done across government and which will contribute to inclusive justice policy. The CfHA considers that the successful delivery of future justice policy will be reliant on cross-committee working to identify and deliver strategic justice priorities during the next political term.

**Security & Cyber Security**

- 1.5 The CfHA published a Cyber Security Strategy in 2017 to develop the Bailiwick's cyber security capability. One of the key objectives of the Strategy was to establish a Pan-Channel Island Cyber Emergency Response Team (CERT) for which the States approved the budget in 2019. Guernsey and Jersey have been working closely together to establish the CERT, and once set up, it will monitor and analyse cyber threats and support businesses and government across the Channel Islands by ensuring there is a coordinated response capability in the event of a significant cyber-attack as well as raising awareness about cyber threats across the whole community.
- 1.6 In December, 2019, the CfHA published a Bailiwick Security Policy and

Telecommunications Supply Chain Security Framework. In endorsing the Framework, the States noted that this did not represent support for any given policy direction on 5G or telecoms which will need to be considered in detail in the next political term.

## **Brexit Policy**

- 1.7 The CfHA has been heavily involved in supporting work on Brexit at both political and officer level. Extensive work has been done by Bailiwick Law Enforcement in respect of the movement of goods and people including; the provision of a free EU Settled Status Scheme – mirroring that of the UK, work on maintaining the Common Travel Area and in ensuring that trade agreements and new customs arrangements are in place following Brexit. The CfHA's work on Brexit will need to continue during 2020 as the Bailiwick goes through transitional measures put in place to support the UK's departure from the EU.

## **2 Challenges**

- 2.1 The CfHA is cognisant of the need to make best use of available resources and is committed to exploring innovative opportunities that could result in efficiencies and improved service delivery. However, the need to operate with budgetary constraints is not without challenge.

## **Budget & Resources**

- 2.2 The CfHA has worked to deliver savings targets during this term, however, cautions that continued savings targets are unsustainable and will impact on frontline service delivery.
- 2.3 The CfHA acknowledges the need to look holistically at the delivery of justice to ensure the continued delivery of high quality services that are sustainable. Maintaining a safe and secure community in the future will require the investment in a transformational justice framework which emphasises the importance of diversion away from the criminal justice process as much as it does supporting those in it.

## **Progression of Extant Resolutions**

- 2.4 The CfHA has a considerable number of extant resolutions relating to the introduction of new or the amendment of existing legislation. Progressing these has presented a challenge during this political term and the CfHA expects this to continue into the next.
- 2.5 The CfHA regularly reviews these resolutions to ensure that they remain relevant. The CfHA's broad mandate means that it must prioritise these work

streams to ensure best use of resources. Those resolutions that contribute the delivery of the CfHA's prime objective of keeping the Island safe and secure, will always take priority, however, it does not make the progression of legislation in relation to the regulation of gambling, for example, any less valid.

- 2.6 The CfHA is reliant on the expertise of the resources at St James Chambers in order to make progress on many of its extant resolutions. Whilst always receiving an excellent service from Chambers resources there are also limited and must focus on government priorities as a whole, Brexit being a prime example of where resources had to be redirected over a sustained period.
- 2.7 The CfHA recognises that this will be challenge faced across government, however, considers that in the next term its successors will need to be cognisant of this issue when considering progressing new initiatives.

### **3 Work to be continued the next term**

- 3.1 The CfHA's longer-term priorities are detailed in its Delivery Plan 2019-2022 which sets out an ambitious programme of work in addition to the delivery of the CfHA's mandated 'Business as Usual' operations and front line services.

#### **Prioritisation of Home Affairs Portfolio**

- 3.2 In 2019 the CfHA concluded an exercise to collate, categorise and prioritise an extensive portfolio of initiatives; the objective being to focus on an agreed list of achievable priorities. These priorities are now reflected in the CfHA's Delivery Plan, which sets the Future Guernsey Plan as its foundations.
- 3.3 As part of this exercise the CfHA agreed to implement a process to established good governance and control in adding additional projects to ensure focus and successful delivery of initiatives across its service areas. The CfHA strongly recommends that this disciplined approach to project prioritisation and delivery across the Services continues into the next term.

#### **Justice Policy**

- 3.4 The Justice Review represents the start of an extended transformational journey in the development of an inclusive justice policy which recognises the relationship between social, family and criminal justice. It is recommended that during the next term of government the CfHA facilitates cross-committee working to inform its recommendations in relation to the delivery of successful and sustainable justice policy that meets the needs of our community.



### **Strategic Home Affairs Property Programme**

- 3.5 The need for a Strategic Home Affairs Property Programme has been a long-term priority. This will require completion of a comprehensive needs assessment across the CfHA Service areas to support future resource planning. In addition immediate priorities include vacating private rented accommodation and an assessment and development of a maintenance programme for both the Police Station and the Prison to ensure that the fabric of the respective buildings can continue to support the essential services that they provide.

### **Combating Financial Crime**

- 3.6 A formal independent review of the regime delivering the island's stance against financial crime and money laundering was undertaken in 2019. Implementation of the recommendations are being considered and officers are actively progressing changes to the existing structure, to enable the development of a more efficient and effective regime to investigate and prosecute financial crime, this work will need to continue and be progressed as a priority in the next term.
- 3.7 The new Committee will need to be alert to preparation for the next MONEYVAL inspection and will see an improved governance model for the Seized Assets Fund.

### **Independent Inspections**

- 3.8 The independent inspection of operational services demonstrates the Islands commitment to the delivery professional services and allows the Services make improvements by learning from and sharing experiences of comparable jurisdictions. Both the Prison and Probation Service will be inspected in 2020, and a priority for the next Committee will be the facilitation of an inspection of the Guernsey Fire & Rescue Service which is now well-overdue, the last one having been undertaken in 2008.
- 3.9 The successor Committee will need to continue to monitor developments following the recommendations in the Her Majesty's Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS) Report and the HMICFRS Follow-up Inspection Report, which at the point of writing had yet to be received, to appropriately support Law Enforcement in keeping the community safe and secure.

### **Data Protection**

- 3.10 The CfHA remains of the view that data protection can be an enabler for supporting the States wider strategic priorities. The CfHA would encourage its successors to continue to work with the Data Protection Authority and other

industry partners to explore legal and practical mechanisms to support transformational change which respects the rights of Islanders.

### **Domestic Abuse Strategy**

- 3.11 During this political term the CfHA continued to pursue a number of legislative and practical initiatives under the Domestic Abuse Strategy to support some of the most vulnerable in our community through the coordinated delivery of services. In 2020 the CfHA's successor will need to report back to the Assembly on the progress made by the Strategy and make recommendations for the next four years.
- 3.12 A successful amendment to the Domestic Abuse Strategy in 2016 directed the investigation of the merits of establishing a Violence Against Women and Girls Strategy. The CfHA were unable to satisfactorily progress this work with existing resources. However, initial research has made it clear that this is a cross-committee, multi-agency matter and recommends its prioritisation of this work as part of the Strategy Review or under Justice Policy.

### **Review of Police Complaints Law**

- 3.13 The CfHA made it a priority in 2016 to review the Police Complaints (Guernsey) Law, 2008 as part of good practice following the Law's enactment in 2011. The importance of maintaining some parity with UK misconduct provisions has meant that progress has appropriately been delayed whilst the UK implements the recommendations of the Chapman Review with regard new Misconduct and Performance Regulations across UK Policing. The CfHA was disappointed that the review of the Police Complaints Law was not progressed and recommends that it remain a priority in the next term to ensure continued public confidence in the complaints process and the Force in general.

## **4 Extant Resolutions and their place in today's context**

- 4.1 The CfHA recommends that work continues on five of its extant resolutions as an immediate priority, four are directly linked to the Justice Policy Priority Area and the fourth linked with International Standards. Prioritisation of these are reflected in the CfHA's [Delivery Plan 2019-2022](#), which includes further details of the CfHA's prioritised work streams:

- **Employment Vetting and Barring – Billet d'État XXIV of 2009**  
The CfHA has commenced work to review developments in the UK, in conjunction with the other Crown Dependencies, to ensure a co-ordinated approach to the provision of consistent employment vetting measures in line with national standards, including the research and review of any additional local measures that could support these

standards.

- **Review of Domestic Abuse Legislation – Billet d’État XIII of 2015**  
Work to review legislation under the Domestic Abuse Strategy is ongoing through the Domestic Abuse Strategy Law Review Group. At the time of writing this Report, the CfHA was preparing to present a policy letter to the States regarding the introduction of Domestic Violence Protection Notices and Orders, the criminalisation of breaches of Domestic Violence Injunctions and the introduction of Police bail. This policy letter seeks to address one of the recommendations from the HMICFRS report. The CfHA intends to bring further recommendations to the States in 2020 regarding the introduction of new criminal legislation to cover other aspects of domestic abuse.
- **Review of Parole Legislation – Billet d’État IV of 2005**  
This project concerns the implementation of new legislation to move eligibility for early release from Prison from one third of the way through sentence to the halfway point of the sentence and to provide statutory guidance to support the Parole Review Committee in discharging its functions. Work is ongoing to finalise the Regulations that will support the introduction of new primary legislation.
- **Trading Standards Legislation – Billet d’État III of 2016**  
Work on the introduction of statutory consumer protection powers will continue to be progressed during the next political term.
- **Modernisation of Police Law – Billet d’État XII of 2008**  
The delivery of new and modernised legislation to support the delivery of Law Enforcement functions will be a priority for the CfHA for the next political term.

### **Extant Resolutions Recommended for Rescission**

- 4.2 The CfHA currently has 31 extant resolutions linked to the review of Gambling which are the result of two Policy Letters presented to the States by the former Home Department in 2007<sup>1</sup> and 2015<sup>2</sup>. Following a review of these extant resolutions, the CfHA proposes that four are rescinded, additional details can be found in the relevant section of the P&R Plan.

## **5 Review of operational functions**

- 5.1 Operational Services are committed to identify opportunities to work differently

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<sup>1</sup> Billet d’État XXII (October) 2007, Article 10

<sup>2</sup> Billet d’État XIV vol 2 (July) 2015, Article 17

so as to optimise resources, identifying core functions, championing best practice and supporting and encouraging innovation and collaboration so as to ensure sustainable and affordable future service provision. However, there is a collective concern that the continued requirement to deliver savings targets does not support investment in transformational opportunities and this has the risk of impacting on the delivery of frontline services.

5.2 Operational priorities and challenges for the coming term include:

- Law Enforcement, the Prison and Probation Service will be essential contributors to the development of future Justice Policy at an operational level through the delivery of core criminal justice agencies in the prevention and detection of crime and supporting the rehabilitation and reintegration of offenders.
- A continued priority for the Bailiwick Law Enforcement is the oversight of strategic IT risks and the associated improvement of critical IT infrastructure across Law Enforcement.
- Law Enforcement will be actively investigating and analysing potential opportunities for working collaboratively with Jersey.
- The Prison faced a number of significant operational issues with several infrastructure projects that impacted negatively on the amount of available accommodation during this political term. Focus on a structured programme of maintenance needs to be developed and implemented as a priority in 2020.
- Approval has been given for a Healthcare Needs Analysis in 2020 and the Prison Service is committed to working with officers as the CfHSC on the provision of healthcare within the prison which is recognised is in need of modernisation.
- The Guernsey Fire and Rescue Service has continued to maintain safe levels of operational response whilst also delivering real term savings of 10% on the revenue costs of operating the Service over this political term. At the same time, the Service has altered the way it works in order to provide an increased range of services connected with their skill-set and the equipment they have at their disposal, this innovative approach to service delivery.
- The delivery of family justice will be an important element of future justice policy and the role Family Proceedings Advisory Service have in ensuring a positive experience for children and their families who come into

contact with the system will be key. The Service will also be key contributors to the Children Law review.

- The Population Management Office has undergone significant change and improvement during this political term and is now effectively delivering business as usual. During the next political term, the Population Management Office will continue to work with the Population Employment Advisory Panel to ensure the regime supports local industries.
- As the Seafront Enhancement Project progress, both the Probation Service and the Family Proceedings Advisory Service may need to be relocated as an alternative use is identified for the Information Centre.

**Handover Report****1 Introduction**

- 1.1 This Handover report is to apprise the successors of the Development & Planning Authority (D&PA) what are considered to be the main policy and operational challenges facing the D&PA in the next term of Government.
- 1.2 The D&PA was established in 2016 as a result of the States Review Committee's Review of Government. Under its [mandate](#) the D&PA is responsible for planning policy and has an important policy-making role through its responsibility for the Island Development Plan (IDP) including the monitoring of the policies and its review, and for the Building Regulations.

**2 IDP Monitoring and review**

- 2.1 The Strategic Land Use Plan (SLUP), 2011, for which the Committee *for the Environment & Infrastructure (CftE&I)* is responsible, places a statutory requirement on the D&PA in relation to monitoring the performance of a number of different elements of the IDP. There is also a legal duty on the D&PA under section 8 of the Law to ensure the IDP is kept under review and to make alterations where necessary.
- 2.2 The D&PA, through monitoring the IDP, enable the States to have a detailed understanding of the performance of planning policies in the delivery of the objectives of the SLUP, other States of Guernsey objectives and the purposes of the Law. This enables the IDP to maintain sufficient flexibility to adapt to changing circumstances and support the delivery of the States' priorities as set out in the Future Guernsey Plan. The D&PA produce Quarterly Monitoring Reports (QMRs) (which deal specifically with monitoring of housing land supply and employment land supply) and Annual Monitoring Reports (AMRs) which deal comprehensively with IDP monitoring.
- 2.3 As the AMR is a comprehensive report that contains both quantitative and qualitative information, it analyses the effectiveness and relevance of IDP policies, including feedback from stakeholders and relevant States' Committees, and sets out actions, if any, that need to be taken. The AMR also assesses if the IDP is playing its part in enabling the proactive elements of the SLUP to be delivered and provides an important 360 degree review function as the D&PA must identify to CftE&I if the monitoring identifies that amendments are required to the SLUP.
- 2.4 The D&PA have completed two AMRs in respect of 2017 and 2018. Both of these concluded that the policies of the IDP continue to be effective, robust and relevant. The IDP is performing as intended, is flexible and is delivering the land use requirements of the States as required by the SLUP. No specific blockages have been identified to delivering these requirements. Therefore, at this stage,

there is no proposal to amend the IDP and there is no evidence of a need to amend the SLUP and advise CftE&I accordingly.

- 2.5 As the IDP reflects other States' policies, the work of the D&PA through the completion of technical studies in support of the AMR, which include a Main Centres Survey, Local Centres Survey and update to the Employment Land Study, are of value to other committees' work. The D&PA work closely with other committees to identify where there is a concern that the IDP may not be fulfilling other States' policies, to assist in identifying where there are policy gaps and where it is felt that other States' policies are not achieving the desired outcome.
- 2.6 Whilst this monitoring must continue on a quarterly and annual basis due to the statutory requirements, the D&PA recognises that the work required to complete the AMR in its current form takes up much of its limited resources. This has impacted on the priority given to its other work and so the D&PA has recognised that the format of the AMR needs to be amended in future years to make it more accessible and user-friendly, without loss of clarity or accuracy.
- 2.7 In monitoring and implementing some policies of the IDP, such as in relation to housing, the D&PA is significantly reliant on data and information from other States' Committees. Although working closely with other committees on various States' strategies and areas of focus, the D&PA is concerned that robust data and information on certain key matters have not been provided, or are not available, when required to inform the statutorily required review of the States' land use policies. For example, the D&PA requires data in order to identify whether the strategic housing requirements are being achieved yet work on the Housing Strategy has been delayed and the D&PA will not, therefore, have the data required to provide a robust analysis. Also, the Committee *for* Economic Development in compliance with States' Resolution 5(b) of 2 November 2016 will need to provide required data on the stock of visitor accommodation. The D&PA believes that this is a significant issue which should be addressed as a priority by its successor committee in discussion with other relevant committees, to ensure that policies continue to be based on sound and robust evidence and can continue to address the land use requirements of the States in the future.

### **3 The D&PA Action Plan**

- 3.1 The D&PA, in response to comments made by States' Members during debate in December 2018 in relation to the 2017 AMR and responses to consultations on Development Frameworks and planning applications, made the decision in January 2019 to create a D&PA Action Plan. This document, which was published in June 2019, sets out a number of actions to address concerns raised. The Action Plan included 14 actions in total, the most important of which is the expansion of subjects to be covered under the IDP 5-Year Review. The Action Plan confirmed the Review should include the consideration of how brownfield sites might be prioritised before greenfield for residential development in Centres, the

re-examination of the extent of Important Open Land in the Main Centres, Agriculture Priority Areas, the assessment of the effect of land-banking, Affordable Housing and the effectiveness of Policy GP11 and also the change of use of visitor accommodation. The thresholds and use of Development Frameworks will also be reconsidered.

- 3.2 The Action Plan also included a Communication Plan to help improve the way in which the necessarily complicated planning system could more readily be understood by the public. A 'dashboard' was created providing a snapshot of the most frequently asked statistics such as the number of planning permissions and completions in a given area and the number of affordable homes that have had planning permission. This has been published on gov.gg and will be updated quarterly. It followed on from the initial public presentations on Community Plans and 'The Best Way to Have Your Say' and the publication of FAQs which are both also on gov.gg.
- 3.3 Another important action was commissioning the drafting of the Development Frameworks for the four Regeneration Areas starting with Leale's Yard. This Development Framework has the potential to unlock development of this strategically significant site which is important to the implementation of the States' spatial strategy. Preparation of this Framework has commenced and public consultation carried out. The D&PA has also obtained from the Policy & Resources Committee the letters from the Principal Committees providing their views on what can be done at Leale's Yard and will continue to liaise with them during the production of the Development Framework.
- 3.4 As part of the Action Plan, the D&PA also wrote to several committees to pursue specific areas which the D&PA felt required further work to assist with land use policy. This included correspondence to the Committee *for* Economic Development regarding how the IDP policies may facilitate their on-going work in developing a Tourism Strategy and implementing the findings of the Red Tape Audit. The D&PA wrote to CftE&I in respect of the Long Term Infrastructure Investment Plan and placing the 15mph speed limit of Ruettes Tranquilles on a statutory footing. The D&PA continued with productive discussions with the committees on this and would recommend that the next D&PA continue with these valuable discussions.
- 3.5 The D&PA also met with officers from other service areas such as Traffic and Highways to discuss local infrastructure requirements and how we can put the information we have to better use. These discussions have been most productive with the possibility of commissioning a 'rolling' Traffic Impact Assessment to cover the Main Centres of Town and the Bridge being pursued. In addition, the D&PA discussed with the States Assembly & Constitution Committee the training for new States' Members with a view to including quasi-judicial matters. The D&PA continues to meet with those who have an interest in planning policy such



as the Douzaines and those involved in energy conservation, which we hope the next D&PA will continue.

- 3.6 The timeline for completion of the Action Plan was the end of this political term and the D&PA are pleased to confirm that this has been achieved. The current D&PA has set the foundations for work which should continue well into the next term of Government, for example the IDP 5-Year Review, changes to legislation and work with other committees and stakeholders such as in relation to Traffic Impact Assessment and energy conservation. The D&PA is proud of what has been achieved through the Action Plan and hopes that these achievements will be built upon and developed further by its successor D&PA through future actions in relation to these matters.

#### **4 IDP Five-Year Review**

- 4.1 The 5-Year Review due to be completed in 2021 is not a full Plan review but comprises a number of elements. These are:

- The statutory requirements set out in the SLUP and the IDP;
- Matters committed to at the IDP Planning Inquiry;
- Commitments made through the D&PA's Action Plan; and,
- Any matters that have emerged through regular monitoring of the effectiveness of IDP policies.

- 4.2 A commitment was made by the former Environment Department during the IDP Public Inquiry hearings to re-survey some Areas of Biodiversity Importance and to carry out Island analysis to identify any additional Areas of Biodiversity Importance. This technical work is continuing following receipt in December 2019 of an evidence report commissioned from Environment Guernsey.

- 4.3 Additional matters which the D&PA is not obliged to consider in the Review are set out in the D&PA Action Plan. The Policy Letter which presented the 2018 AMR as an Appendix included amendable propositions which related to additional areas of focus, as follows:

- Development Frameworks thresholds and process;
- Development of greenfield land and prioritisation of brownfield land for residential purposes in Centres;
- Important Open Land;
- Agriculture Priority Areas; and
- Visitor accommodation.

- 4.4 The intention of the amendable Propositions was to allow the States to debate and agree the scope of the 5-Year Review beyond the statutory requirements and so that there is continuity over the change in Government. As the

Propositions encompassed much of the commitment set out in the D&PA Action Plan this provided the opportunity for the States to formally endorse those commitments. The States was not asked to make policy decisions as this would prejudice the statutory Planning Inquiry process, requirements for consultation and legal process. Where a review of the IDP is considered necessary, any change to policies would be subject to the full inquiry procedure set out under the planning legislation; this may include an Environmental Impact Assessment as part of the review and the accompanying Environmental Statement would be updated accordingly. The D&PA has advised CftE&I of the likely requirement for a planning inquiry to be held in 2021.

## **5 The Building Regulations**

- 5.1 Reflecting the importance of promoting energy conservation and mitigating climate change the D&PA has approved revisions to Part L (Thermal Performance) of the Building Regulations. This will raise the thermal performance standards of buildings in Guernsey in a short timeframe ahead of a more fundamental review that may result from the anticipated climate change policy and action plan that is due to be debated by the States by May, 2020. A number of recommendations to this effect were endorsed by the D&PA at its meeting on 22 January. These related to changes to the Guernsey Technical Standards (GTS) documents which increase thermal performance standards, increase the air leakage standard and provide clearer guidance on a testing regime, amend the 'U values' in relation to the renovation of existing thermal elements and introduce specific guidance on air pressure testing of commercial buildings. These changes will come into effect in June, 2020. The D&PA is also working with CftE&I and other subject experts on a wider review of improving the energy efficiency of buildings as set out in the energy policy which is a States' area of focus.

## **6 Local Planning Briefs and Development Frameworks**

- 6.1 A Local Planning Brief (LPB) is required for the Harbour Action Areas and research has commenced in relation to preparation of the LPB for the St Peter Port Harbour Action Area (SPPHAA). The D&PA was not officially represented on the Seafront Enhancement Area (SEA) Steering Group initially. This was yet another example of the lack of appreciation of the mandate of the D&PA throughout this term which the D&PA has consistently raised to ensure its role is understood. However, as a result of consulting with an external adviser, new governance arrangements were recommended to the SEA Steering Group and will include official representation from the D&PA, subject to States' approval.
- 6.2 The recommendation is for a States' Investigation & Advisory Committee to replace the Steering Group in leading the SEA programme and it will inform the LPB for SPPHAA as there is an interdependency of States' work streams on future harbour provisions. Although the States has agreed £300,000 funding for SPPHAA and the collection of data and evidence has commenced (utilising data

being collected for other States' approved requirements for an EIA for east of the QEII Marina, which represents good value for money), the D&PA will not be in a position to fulfil the resolution for the delivery of the SPPHAA by May 2020. In recognition of the need to complete certain work streams that will influence the Harbour Action Areas LPB, the Policy & Resources Committee will recommend in its Policy Letter on the SEA that the States' resolution deadline be amended/rescinded and replaced with a realistic timeframe. Continued close involvement of the D&PA with the SEA programme will be critical to the D&PA in completing the LPB. LPBs would also be required, subject to States' approval, in the case of a proposal to create a residual inert waste disposal facility at Longue Hougue South and for possible future strategic relocation of port facilities. The D&PA has advised CftE&I that planning inquiries would be needed for these LPBs.

- 6.3 As has been mentioned, the D&PA is working on the Development Framework (DF) for the Leale's Yard Regeneration Area and, given the agreed funding, it is recommended that the next D&PA continue with the DFs for the other three Regeneration Areas following the completion of the DF for the Leale's Yard Regeneration Area. As they are close to each other in St Peter Port, thought should be given to the merits of a comprehensive approach to the development of a DF to encompass all of these Regeneration Areas and the evidence and data collection required.
- 6.4 The D&PA has prepared a draft DF for the Safeguarded Area at Chouet which has been the subject of public consultation. The D&PA will need to complete this DF only if the States decides to agree on-island quarrying at Chouet Headland and this is likely to be the subject of a Policy Letter from CftE&I early in the next political term.

## **7 Planning Legislation - Review of the Planning Law**

- 7.1 The D&PA is also responsible for amending and bringing forward new legislation within its mandate. Proposals relating to the review of the Planning Law have also been scoped as part of the D&PA Action Plan. Whilst this review will look at the legislative framework as a whole, it will also include proposals for simplification as set out in the D&PA's [2017-2020 Business Plan](#) for further extension of planning exemptions to reduce the need to apply for planning permission for more minor forms of development. This follows simplification of the [Use Classes Ordinance](#) in 2017 which reduced 44 use classes to 28.
- 7.2 The D&PA would however record its disappointment that a proposal for an Ordinance under section 46 of the 2005 Law (relating to what may be termed 'untidy sites') was not progressed beyond initial consultation stage, as a result of other legislative priorities (notably for [High Hedges](#) and [Certificates of Lawful Use](#)) and other work during this term. The D&PA hopes that both this Ordinance and the review of the Land Planning and Development (Exemptions) Ordinance, 2007 will be progressed as a priority by the new D&PA.

- 7.3 In addition, changes to the [General Provisions Ordinance](#) will be required to support SMART Guernsey and streamline the planning applications process, and potentially also to allow for outline planning applications to be made on EIA sites. This will significantly help the appropriate delivery of larger and more complex sites such as the Leale's Yard Regeneration Area by enabling a form of master plan to ensure comprehensive and coordinated delivery of development ahead of more detailed proposals.

## **8 Third-Party Appeals**

- 8.1 The D&PA was consulted in October 2019 by CftE&I for its views on the introduction of third-party planning appeals. If third party appeals are introduced, this will represent a significant challenge for a future D&PA, not least in ensuring that sufficient resources are available to manage the D&PA's part of the appeals process in a timely and effective way.

## **9 Operational Matters**

### **SMART Guernsey**

- 9.1 In 2019, the States of Guernsey signed a ten-year contract with leading digital firm Agilisys that allowed the SMART Guernsey programme to begin in earnest. The Planning Service is involved with trials to provide some States' services digitally, specifically in relation to introduction of a planning 'portal' which can receive and publish planning applications on-line. The Planning Service had been working on developing a solution for this for the past two years, liaising with local architects and parish officials, but progress had not been as rapid as hoped due to a lack of resources and digital capacity. With the partnership with Agilisys, the D&PA is hopeful that online services will be in place in the near future.

### **Large-scale strategic projects**

- 9.2 In addition to those mentioned above, the D&PA will be responsible for managing the land planning aspects of several large-scale strategic projects which are currently in the pipeline, including for schools developments, the Princess Elizabeth Hospital modernisation and possible relocation of the Guernsey Dairy. The D&PA will of course also continue to determine contentious or high-profile applications at Open Planning Meetings.

### **Service delivery and enforcement**

- 9.3 Under the 2005 Law, there are statutory provisions for immunity from enforcement action in relation to a breach of planning control after a continuous period of 10 years or 4 years from when the D&PA first became aware of the

breach. In addition, the Land Planning and Development (Certificates of Lawful Use) Ordinance, 2019 commenced on the 6 May 2019 and is a means for landowners to obtain a Certificate of Lawful Use in such circumstances, subject to provision of sufficient evidence. This means that enforcement action must be pursued in a timely manner to prevent breaches of planning control becoming immune from enforcement action and, potentially, lawful by default.

- 9.4 The quality of service delivery generally, including in relation to enforcement, has been monitored at a high level by elected members of the D&PA throughout this term of Government and improvements suggested where appropriate. The importance of maintaining a robust and suitably resourced enforcement process along with an appropriately resourced process for dealing with development applications of all types in a timely manner should remain a matter of utmost importance for the D&PA.

## **10 Conclusions**

- 10.1 Whilst the major planning policies in the IDP were designed to last until 2026, next term's D&PA will be responsible for the 5-Year Review and the recommendations, if any, that flow from it. They will also be responsible for continuing the statutory monitoring requirement whilst adapting according to the staff and resources available. Importantly they will also be involved in supporting the work of other committees to help mitigate climate change, in particular, through the revisions to Part L of the Building Regulations.
- 10.2 The current D&PA wish to note its grateful thanks to the excellent staff in the Planning Service and in Building Control who have supported the work of the D&PA this term. The staff have always provided their advice professionally and independently and will no doubt continue to do so for the next D&PA.

## Handover Report

### 1 Scope of the Overseas Aid & Development Commission's (OA&DC) Work

1.1 During this States' term, the Overseas Aid & Development Commission's primary focus was on making small grants for initiatives that meet basic needs in the world's poorest countries: building classrooms and primary health clinics; providing clean water to schools and communities; training farmers on sustainable, climate-friendly farming practices. We distributed funds as follows:

#### Funding of Grant Aid Projects and Emergency Relief 2017 – 2020

Year	Grant funding (£)	No. of Projects	Emergencies (£)	No. of Projects
2017	2,580,385	77	196,393	8
2018	2,430,319	73	190,165	4
2019	2,593,162	75	170,000	6
2020*	2,756,374	63	TBC	TBC

(\*This year's funding round has just closed, and applicant charities are now undergoing due diligence. Not all projects are successful at this stage, so final figures may vary.)

1.2 There were two main States debates on the OA&DC's work. In November, 2017<sup>1</sup>, the States merged the grant-funding and emergency relief budgets and approved the principle of Impact Investment. £1m of the States 2018 surplus was later allocated to this. In July, 2019<sup>2</sup>, the States agreed a reorganisation of the OA&DC's work and set objectives for the next 10 years. This included a commitment to increase Overseas Aid funding to 0.2% of GDP over the decade.

### 2 The OA&DC's Objectives

2.1 The States set five objectives for the OA&DC over the next 10 years:

1. We focus our giving on the areas of **greatest need**;
2. We seek to **maximise the impact** of our funding;
3. We prioritise **sustainable and life-changing** developments;
4. Our giving is **good for Guernsey's reputation**; and
5. We give **safely and effectively**.

2.2 The OA&DC's work links closely to the Future Guernsey Plan pillar 'Our Place in the World' and helps to secure Guernsey's 'mature international identity'. A commitment to international development (in all its forms) allows us to position

<sup>1</sup> 'OADC: Funding Arrangements & Future Developments' BE XXIII 2017

<sup>2</sup> 'Our Place in the World: The Next 10 Years of Overseas Aid in Guernsey' BE XIII 2019

ourselves as a force for good in the world.

### **3 The OA&DC's work streams**

3.1 The States agreed, in July, 2019, that our work should be organised in six pillars:

1. Small (single year) grants
2. Large (multi-year) grants
3. Disaster and emergency relief
4. Community partnerships
5. Skills-based partnerships
6. Communication & Education

3.2 In addition, the OA&DC is working on a number of areas which support these six programmes. These are:

1. Governance and risk management
2. Fairtrade
3. Impact Investment
4. Climate Change
5. Administration – staff, training, and Commissioner recruitment
6. Monitoring and evaluation

3.3 What we've achieved and what we've learned this term is set out briefly below, under each heading, alongside the key opportunities and challenges for next term.

#### **Small Grants Programme**

3.4 Until 2019, the OA&DC received about 300 funding applications per year, requiring five monthly meetings to review them all and make funding decisions. The amount of meeting time (and pre-meeting preparation, running to hundreds of pages a time) was becoming untenable for a volunteer-run<sup>3</sup> organisation.

3.5 In 2019, we decided to restrict charities to one application each (formerly two). This has made the volume of applications more manageable. The maximum grant was increased to £50,000, having been at £40,000 for a number of years.

3.6 In 2020, the Small Grants Programme will become one of six OA&DC programmes, with 50% of the OA&DC's budget allocated to it (approx. £1.5m). This should enable about 30 initiatives to be funded. A reduction in overall numbers should allow more time to conduct in-depth due diligence on successful applicants, before funding is released and throughout the lifetime of the project.

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<sup>3</sup> The six Commissioners are appointed by the States. The role is not remunerated in any way.

- 3.7 This programme continues the ethos of ‘a hand up, not a hand-out’ which is central to the OA&DC’s work. It will continue to address basic needs in the fields of water and sanitation; food security; sustainable livelihoods; education; and health. It will support projects in the world’s poorest countries, as defined by the lowest quartile of the UN Human Development Index.

**Large Grants Programme**

- 3.8 This is a new initiative for the OA&DC. From 2020, about 30% of the OA&DC’s budget (approx. £900,000) will be allocated to this programme. It will be used to fund projects that deliver a sustainable change over a longer period. Grants of up to £150,000 (paid over two or three years) will be made.
- 3.9 A policy is now in place, and the first round will take place during spring 2020. There will inevitably be learning – about the scope of the programme, the funding criteria, and/or the approach taken to managing applications. Our successors may want to evaluate the first year and make adjustments to the programme, as needed, for 2021 or beyond.
- 3.10 We see the Large Grants Programme as a commitment to the principles of ‘Leaving No One Behind’ and ‘Reaching the Farthest, First’, which are at the heart of the Sustainable Development Goals. Multi-year funding means we can support more complex projects, which work among deeply disadvantaged communities. Our focus in 2020 will be disability-inclusive development and climate resilience.
- 3.11 In future years, our successors may also want to focus on issues such as tackling child labour, modern slavery and peace-building: critical, complex issues which need a long-term commitment in order to make change.

**Disaster and Emergency Relief**

- 3.12 Through its Small and Large Grants Programmes, the OA&DC helps communities to be more resilient, or to ‘build back better’ after a crisis. While this preventive work is (rightly) prioritised, communities that are devastated by natural disaster or conflict also need immediate practical help to survive.
- 3.13 This term, we developed a rigorous Emergency Relief policy setting out when and how Guernsey will provide aid. Importantly, this recognised that disasters affect small states (especially islands) differently. Although they may not always be the poorest of the poor, disasters can destroy so much of their core infrastructure that recovery becomes an enormous challenge – so emergency relief is essential.
- 3.14 During 2020, we will increase our allocation to Emergency Relief (to about £350,000, or 12% of our budget). We will maintain our current policy and begin to work towards the approach agreed by the States – that is, focusing our efforts on ‘unreported’ disasters, which don’t make the world’s headlines.



- 3.15 The OA&DC already uses sources such as ReliefWeb and the IPC<sup>4</sup> to provide independent information on disasters, as well as much-appreciated advice from the UK Disasters Emergency Committee. As this programme is developed, our successors will want to establish a core set of trusted independent sources, so that the OA&DC can confidently identify unreported disasters and support aid organisations that are working to tackle them.

**Community Partnerships**

- 3.16 This programme supports initiatives led by the Guernsey community. It has been run for years under 'Part 2' of our mandate ('to develop programmes ... involving the private sector') and has now been established with its own guiding policy.
- 3.17 Generally, we match fund locally-run projects which require substantial effort from fundraisers (such as the World Aid Walk) and/or which can unlock funds from multiple sources (such as Rotary's campaign to eradicate polio). We do not envisage major changes to this programme in future.
- 3.18 This programme also covers the Memorandum of Understanding with the Département of Ille-et-Vilaine, negotiated by Policy & Resources during this term, in which we co-fund projects (that meet Overseas Aid criteria) sponsored by our French partner. This small investment has been an important step in building Guernsey's relationship with our nearest neighbour, as well as helping to expand the OA&DC's impact around the world.

**Skills-based Partnerships**

- 3.19 This is a wholly new initiative for the OA&DC. The aim is to use the skills that Guernsey has (from health and education to financial services) to make a difference around the world, by providing bursaries for skilled professionals who are interested in doing 'train the trainer' type work in disadvantaged countries. This kind of work can increase the competence and confidence of a whole group of professionals in-country, leading to sustainable, long-lasting change.
- 3.20 We are starting small (allocating approx. £40,000) and the guiding policy is being worked up during the early part of 2020. This is likely to be in force just before the end of this term, with the OA&DC becoming ready to award bursaries later in 2020. As with the Large Grants, there will no doubt be learning along the way, and our successors may want to monitor it closely and adjust as need be.

**Communication & Education**

- 3.21 Overseas Aid will always have its critics in the community, and this needs to be balanced by good public understanding of the real value of our work in the world.

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<sup>4</sup> The Integrated Food Security Phase Classification: see [www.ipcinfo.org](http://www.ipcinfo.org)

- 3.22 The OA&DC publishes annual reports (part of a long-term commitment to transparency about our use of public funds), and produced our first infographic in 2019. In order to establish a clear split between funds for frontline services and those spent on supporting activities, the States agreed to ring-fence an annual budget for Communication and Engagement (£20,000).
- 3.23 2020 will be an exceptional year, as it is the OA&DC's 40<sup>th</sup> Anniversary. We are planning a series of events, which we hope will have a wide reach, to celebrate Guernsey's positive role in international development. We are launching the Guernsey International Development Network in early March, as a way of connecting people throughout the Island who care about global issues.
- 3.24 Beyond 2020, the OA&DC needs a gentle but sustained commitment to communication and education. This could include: developing materials for use in schools, to support lessons or assemblies; maintaining the Guernsey International Development Network through a couple of events a year; and ongoing publication of annual reports as well as more catchy, easily-accessible information about our impact. For all of this, our successors will need the ongoing support of the States' Communications team in order to do it well.

**Governance and Risk Management**

- 3.25 This is probably the biggest, and certainly the most important, of the OA&DC's supporting work streams. Overseas Aid involves working with small organisations in deprived areas – countries that experience poor governance; extreme economic hardship; and often conflict, displacement and other forms of social breakdown. This context makes a degree of financial risk unavoidable.
- 3.26 The OA&DC's approach to governance and risk management has always been one of rigour and continuous improvement. Before applicant charities can receive funding, a series of due diligence checks take place. Funding is then released in tranches: one at the start of the project, and one mid-way through, conditional on a satisfactory interim report. Charities must also provide a final report and budget, and must return any unspent balances.
- 3.27 The States' Internal Audit Unit (IAU) commissioned an experienced Department for International Development (DFID) auditor to look at the OA&DC's risk management processes in 2018-19. The report was helpful, and enabled the OA&DC to make some immediate practical improvements to its due diligence checks. It also recommended some more structural changes, which are reflected in the design of the six new programmes.
- 3.28 For example, the decision to reduce the number of projects funded each year (by reducing the Small Grants Programme and introducing the Large Grants) is expected to give the OA&DC's small staff team more scope to carry out in-depth due diligence and monitoring of those that are approved.

- 3.29 The IAU's report is a helpful guide to good governance. Our successors may want to review it on a yearly basis to check progress against its recommendations. Some issues will need further work next term – such as on-the-ground checks on projects and the charities that are delivering them. While it would be a costly and disproportionate use of Overseas Aid funds to send people out from Guernsey to check on every project, we are beginning to explore possible partnerships with trusted independent organisations who could visit and report back on a random selection of projects, providing a useful additional layer of assurance.
- 3.30 In the context of international development, things will go wrong from time to time. No amount of upfront due diligence by funders can always catch those who are determined to deceive and do harm. But when it happens it's devastating – it is a breach of our trust and the public's trust; and, worst of all, it means the people who should have been helped have been let down, if not actively harmed. Where the OA&DC believes it has uncovered misuse or abuse of public funds, it has a range of tools available to address this, from seeking the return of grant funding or barring the charity from making future applications, to pursuing an investigation through Law Enforcement or the UK Charity Commission.
- 3.31 The OA&DC also has strong procedures in place to minimise risk as far as possible, at every stage in the grant application process. We have shown that, whenever concerns arise, we act quickly to mitigate the risk of further harm, and do all we can to ensure that any funds that have been misused are restored. Guernsey's National Risk Assessment, published in January, 2020, reported that: 'the inherent vulnerability of the OA&DC is assessed as Lower. Taking account of mitigating measures, the residual money laundering risk of the OA&DC is assessed as Much Lower', relative to the Island's financial sector as a whole.
- 3.32 This area will remain a challenge for our successors, but they will be starting from firm foundations in terms of the controls that already exist, as well as the guidance (provided by the IAU report) for their development in future.

**Fairtrade**

- 3.33 Following a 2005 Requête<sup>5</sup>, Guernsey has been a Fairtrade Island for 14 years. This requires the States to lead from the front – promoting Fairtrade around the island, including it in our Procurement processes, and serving it in our cafes. Since 2018, the OA&DC has been responsible for championing this within the States, and we are ex-officio members of the Island's Fairtrade Steering Group.
- 3.34 Fairtrade is closely linked to Overseas Aid because it promotes sustainable development through trade. However, it is quite distinct from the rest of our

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<sup>5</sup> Billet d'État VI, May, 2005: 'Requête – Fairtrade Foundation'

work. So, for completeness, it might be helpful to add a third strand to the OA&DC's mandate: 'To promote Fairtrade across the States, in support of Guernsey's status as a Fairtrade Island'.

- 3.35 There is a reaccreditation process for the Island once every two years (next due 2022). Most of the work on this is led by the Fairtrade Steering Group, but the OA&DC will need to coordinate input from across the States.

**Impact Investment**

- 3.36 Impact Investment is about investing in initiatives that have a positive social and/or environmental return, and which may also have a financial return. Unlike general Overseas Aid, which involves giving grants with no expectation of repayment, Impact Investment can potentially use the same money for good, again and again, by reinvesting returns in new projects.
- 3.37 The States agreed to invest £1 million of the 2018 surplus into Impact Investment. The OA&DC has been responsible for developing a set of criteria for the kinds of projects that this should support. The work of finding an investment manager has been led by the Treasury team and final decision-making responsibility sits with the P&R Investment & Bond Sub-Committee.
- 3.38 This initial investment is, in essence, a proof of concept. Our successors will want to receive progress reports on the investment, and discuss them with the Policy & Resources Committee. If it shows positive results, the States may want to increase its support in future, in step with the Green Finance agenda.

**Climate Change**

- 3.39 Climate change affects much of the OA&DC's work and many of the projects we support already focus on sustainability and climate resilience. This will be developed further through our Large Grants Programme (above). When the States agreed to develop a Climate Change Action Plan<sup>6</sup>, it recognised that Overseas Aid would be one of its key pillars. Our successors should expect this to become an increasingly important area of focus for the OA&DC.

**Administration – Staff, Training, and Commissioner Recruitment**

- 3.40 As part of the 2019 changes, the OA&DC's administration costs (formerly within Policy & Resources) were transferred to our budget, so that the back-office costs of Overseas Aid could be clearly and separately accounted for.
- 3.41 The OA&DC now has two part-time staff members (0.7 FTE in total), with a Principal Officer joining the Secretary to take on the day-to-day running of the

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<sup>6</sup> Billet d'État IX and Amendment 13 (de Sausmarez & Dudley-Owen), June, 2019

OA&DC. This offers additional resilience in case of sickness or absence, as well as the opportunity for a second pair of eyes on matters of due diligence. While staffing is properly a civil service matter, this is important enough, from a governance perspective, that it is worthwhile setting out here.

- 3.42 Commissioners can serve up to two 4-year terms, and one 2-year extension. Four Commissioners will reach the very end of their term in 2022, and it may be helpful to find a way to stagger their retirement, so that there is not a sudden gulf of knowledge and experience. When the two newest Commissioners joined in 2018, a well-publicised recruitment drive took place, and we looked for applicants who filled gaps in our set of skills and knowledge. We gave the process enough publicity to make it very competitive, leading to 20 applicants, most very good, for only two places. We would recommend a similar exercise in 2022.

### **Monitoring and Evaluation**

- 3.43 The OA&DC closely monitors progress on individual projects (see above) but has not yet really developed a set of key measures or KPIs which offer a quick overview of its overall performance against its mandate. It may be possible to develop KPIs against the five objectives which the States agreed in July, 2019. But, as well as needing thoughtful initial design, this kind of work would have an ongoing cost, in terms of collecting and bringing together the relevant information, for which the OA&DC is not resourced.
- 3.44 We don't believe our successors would see this as an immediate priority, but it is an information gap which is outstanding, and which it may be appropriate for the OA&DC, as a public body, to address in future.

## **4 In Closing: The OA&DC and the States**

- 4.1 Although only a small Committee, the OA&DC has played an active role in the work of the States this term. It has coordinated Committees' input to the Fairtrade reaccreditation process; participated in the Review of Arms-Length Bodies; and contributed recommendations to the policy letter on the regulation of Charities and Non-Profit Organisations.
- 4.2 It supports Guernsey's External Relations through a constructive relationship with Ille-et-Vilaine; and it expects to contribute to the Climate Change Action Plan in the last few months of this term. These two areas of work are likely to continue into the new term, along with the roll-out of the OA&DC's new programmes, and our ongoing work on governance and risk management.

**Handover Report****1 Introduction**

- 1.1 Good parliamentary scrutiny improves the effectiveness of government. A specialist scrutiny committee has the ability to focus in detail on a specific issue and to maintain a persistent line of questioning on a given topic. This approach is one of the most effective mechanisms used by Parliaments to conduct meaningful scrutiny.
- 1.2 The Scrutiny Management Committee has undertaken some interesting and important work in this political term. This has been the first term of the Scrutiny Management Committee, a combination of the former Scrutiny, Public Accounts and Legislation Select Committees to provide co-ordinated scrutiny of policy and services, financial affairs and legislation.
- 1.3 A key focus of the Scrutiny Management Committee has been to conduct as much of its business as practicable within the public domain, hence the very significant increase in the number of public hearings when compared to previous terms. The Scrutiny Management Committee has also sought to comment publicly on a number of key areas of government policy, hence the publication of a significant number of letters of comment within this term.
- 1.4 The Scrutiny Management Committee believes that its mandate covering finance, legislation and policy is an improvement on the pre 2016 arrangements. This change has ensured that it is possible to undertake scrutiny of a given issue which involves policy, financial and legislative elements. It has also enhanced the capability to address complex matters, which is an improvement on the previous position where this type of review was often problematic. However, this change in mandate also coincided with the reduction of the Scrutiny Management Committee's number of both political and Non-States Members which it believes has diluted the effectiveness and capacity of the scrutiny process as a whole.
- 1.5 In general terms, the effectiveness of any proposed parliamentary scrutiny function is principally reliant on the resources and the powers available to that function. However, the individuals within that structure are also extremely important. The Scrutiny Management Committee has reflected upon the current structure and is of the view that the significantly decreased number of political Members has resulted in a reduction in its effectiveness. Whilst every effort has been made to utilise additional States Members as part of the Scrutiny Management Committee's task and finish panels (and the Scrutiny Management Committee is grateful for those who have engaged and brought their expertise to the process), overall the take up has been very limited. The Scrutiny Management Committee believes it is vital that lessons learnt from previous terms must be taken into account when future functions and structures are

considered, as strong and productive working relationships are essential for effective scrutiny within a committee system.

- 1.6 The Scrutiny Management Committee has had two changes in membership this term. Deputy Peter Roffey resigned in March, 2018 to become a Member of the Committee *for* Education, Sport & Culture, Deputy Jennifer Merrett was elected onto the Scrutiny Management Committee and Deputy Laurie Queripel was elected as Vice-President. Non-States Member Mr Richard Digard also resigned from the Scrutiny Management Committee in February, 2017 and Advocate Peter Harwood was elected as his replacement as a Non-States Member.

## **2. What the Scrutiny Management Committee has achieved**

- 2.1 The Scrutiny Management Committee provides structured and co-ordinated scrutiny of policy and services, financial affairs and legislation<sup>1</sup>. We believe that, since formation in 2016, it has had a direct influence on shaping existing and future government policy. In addition the increased transparency that has been provided by regular public hearings has substantially contributed to an improved public understanding of the work of the Government locally.

### **Public Hearings**

- 2.2 In this political term the Scrutiny Management Committee has introduced a number of changes in the scrutiny approach such as increasing the number and frequency of public hearings. We believe that this has increased public and political awareness of key policy areas and added to the level of transparency of Government. Public hearings have a number of advantages in terms of delivering effective scrutiny when compared to States' debates and parliamentary questions posed in States' meetings. Questioning is of a type which allows a specific line of inquiry to be pursued for longer and in greater detail. In this way the Scrutiny Management Committee believes that public hearings are complimentary to the other mechanisms available.
- 2.3 The Scrutiny Management Committee has conducted nineteen public hearings with Presidents and relevant senior public servants from all the Principal Committees and the Policy & Resources Committee. During 2016 and 2017 the hearings focused on progress being made on policy and in 2018 and 2019 were based around the transformation agenda and how that related to the Policy & Resource Plan (now known as the 'Future Guernsey Plan').
- 2.4 There were also five area-specific public hearings held on the following topics: the Waste Strategy; progress made on the implementation of the Disability & Inclusion Strategy; issues relating to the States of Guernsey's Bond; Good

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<sup>1</sup> <https://gov.gg/scrutiny>

Corporate Governance; and on the recommendations made in Her Majesty's Inspectorate of Constabulary Fire and Rescue Service (HMICFRS) Report on Bailiwick Law Enforcement. A follow up hearing on progress made regarding the recommendations in the HMICFRS' report was also held in February, 2020.

## **Reviews**

2.5 There have been six substantive reviews initiated during the political term. These were conducted by 'task and finish' panels, which consisted of a mixture of Scrutiny Management Committee Members, other States Deputies and Non-States Members who were experienced and/or experts in the particular field. The six reviews are listed below:

1. The States of Guernsey Bond Review;
2. In-Work Poverty Review;
3. Aurigny Air Services Efficiency & Benchmarking Review (jointly with the States' Trading Supervisory Board);
4. Access to Public Information;
5. Capital Allocation Process Review;
6. Independent Review into the appointment of the Head of Curriculum and Standards\*.

It is intended that all reviews will be completed and published before the end of the current term.

(\*The Scrutiny Management Committee subsequently suspended the Independent Review listed at number 6. above and proposed to the States Assembly the matter be taken forward via a Tribunal of Inquiry pursuant to the Tribunals of Inquiry (Evidence) (Guernsey) Law, 1949, as amended.)

## **Letters of Comment**

2.6 The Scrutiny Management Committee under The Rules of Procedure of the States of Deliberation and their Committees, 2015 s3(19) was given the right to submit letters of comment and has submitted four during this political term;

1. Transforming Education Programme & Putting into effect the Policy Decisions made by the States in 2018<sup>2</sup>;
2. The Review of the Fiscal Policy Framework & Fiscal Pressures, 2019<sup>3</sup>;
3. The Future Guernsey Plan 2017, Review and 2018 Update<sup>4</sup>; and
4. The Future Guernsey Plan 2018, Review and 2019 Update<sup>5</sup>.

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<sup>2</sup> [Scrutiny Management Committee - Letter of Comment - Education](#)

<sup>3</sup> [Scrutiny Management Committee - Letter of Comment - Fiscal Policy](#)

<sup>4</sup> [Scrutiny Management Committee - Letter of Comment - P&R Plan 2018](#)

<sup>5</sup> [Scrutiny Management Committee - Letter of Comment - P&R Plan 2019](#)



This parliamentary mechanism has importantly allowed the Scrutiny Management Committee to make timely comment on certain policy matters presented to the States of Deliberation when it believed it was appropriate to do so.

### **3. Financial Scrutiny**

- 3.1 In any complex public service organisation, financial scrutiny is an essential part of the assurance process and should occur across the organisation as a fundamental task. There should be specific resources dedicated to the task of ensuring that taxes levied on the population and on local business is spent wisely and provides value for money in the delivery of essential services. This is the role of the Scrutiny Management Committee's Financial Scrutiny Panel.
- 3.2 The States of Guernsey needs to acknowledge the legitimacy and independence of this role as an important contribution to overall financial management and assurance and a key part of the demonstrable accountability of public services to the general public. The Scrutiny Management Committee believes that this is currently being undermined by the lack of understanding of its role.
- 3.3 At present, overall financial scrutiny in Guernsey is limited in comparison with similar jurisdictions and it is clear that the current approach applies less challenge and oversight than was applied under Guernsey's pre 2016 structure of government or in comparative jurisdictions.
- 3.4 The Scrutiny Management Committee considers through its experience gained to date, that the post 2016 system of government is failing to allow sufficient scrutiny of financial matters. It is our collective opinion that the pre 2016 structure of government which featured an independent and separate Public Accounts Committee, had greater strength in its ability to appropriately examine States' financial matters and hold those responsible for the public purse to account; for example, by appointing and closely monitoring the work of the external auditors.
- 3.5 One of the Resolutions from the Joint Committees Report at the States Meeting on 16<sup>th</sup> February, 2016 was, 'To agree that the Scrutiny Management Committee shall have the right to scrutinise actively the annual external audit process as set out in paragraph 3.23 of that Policy Letter'. Unfortunately, that was not included in the mandate of the newly formed Scrutiny Management Committee, which has limited its scrutiny of that process.

- 3.6 The Scrutiny Management Committee strongly agrees with the signatories of the recent Machinery of Government Requête<sup>6</sup> that scrutiny of government finances is a political task and duty; one that is highly valued and seen as an essential function of effective government across the world. The Scrutiny Management Committee considers this to be an area of weakness in the current system of government that should be addressed.

#### **4. Legislative Scrutiny**

- 4.1 The Legislation Review Panel has continued to review, approve and direct legislation be transmitted to the States for consideration as appropriate. Proposed legislation has to be considered extremely promptly (usually within a 4 week period). The absence of a 'committee' stage or the opportunity for detailed review from a second parliamentary chamber places a significant burden on Members of the Legislation Review Panel.
- 4.2 The Legislation Review Panel has reviewed over two hundred pieces of legislation in this political term. There have also been several pieces of legislation drafted and a great deal of work undertaken by the Law Officers of the Crown in preparing the Islands laws for the implementation of the United Kingdom's withdrawal from the European Union.
- 4.3 The current Members, whilst providing due consideration of legislation presented to the Panel, are frustrated by the limitations of the current system of legislative scrutiny. They collectively believe additional priority should be given to legislative scrutiny by the States of Guernsey. Members have also expressed concern that on occasion the correct process for agreeing draft legislation via the Legislation Review Panel is not being followed. In view of this it created two flowcharts setting out the approval process to be followed for both new Guernsey Laws and Ordinances and are available at gov.gg.<sup>7</sup>
- 4.4 The Scrutiny Management Committee has overseen the work of the Legislation Review Panel which has sought, within the limited resources available and the constraints of its mandate, to consider the ongoing legislative programme. The current Members are frustrated by the limitations of the legislative scrutiny role as set out under the Reform Law 1948, as amended and believe that a review should be conducted to examine legislative scrutiny within the States of Guernsey in the near future.

#### **5. Challenges Faced**

- 5.1 The Scrutiny Management Committee is not convinced that the restructuring of

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<sup>6</sup> Scrutiny Management Committee -Letter of Comment - Requête. pg.36

<sup>7</sup> <https://gov.gg/newlegislation>

the formal scrutiny function arrangements in 2016 has 'addressed the weaknesses of the previous structure'. Whilst its mandate covering finance and policy has ensured that the current scrutiny function works in a much more collaborative fashion than previously, the reduction in the number of both Political and Non-States Members has diluted the effectiveness and capacity of the scrutiny process as a whole.

- 5.2 The Scrutiny Management Committee has become increasingly frustrated during the current term at the reluctance of some Committees to share with the Scrutiny Management Committee information and documents when requested. The Scrutiny Management Committee has found that information is either not provided; not provided in full; is provided but is heavily redacted; and/or it takes an inordinate amount of time to be submitted. This has been a major obstacle for the Scrutiny Management Committee in being able to undertake its mandated work and effective completion of its reviews. It is therefore hoped that new legislation on 'Powers, Resources and Impartiality of the Scrutiny Management Committee' will enable more effective working in the future.
- 5.3 In August, 2019 the Scrutiny Management Committee submitted to the States Assembly its justification to establish a Tribunal of Inquiry surrounding the recruitment process relating to the appointment to the role of Head of Curriculum and Standards, employed by the States of Guernsey at the Committee *for* Education, Sport & Culture. This was made pursuant to the Tribunals of Inquiry (Evidence) (Guernsey) Law, 1949, as amended. The recruitment process had attracted significant media and public interest resulting in substantial comment of a highly critical nature with allegations of political interference and poor governance, which in the opinion of the Scrutiny Management Committee had undermined public trust and confidence in their government.
- 5.4 The States Assembly voted against the proposal and the Scrutiny Management Committee then proceeded in September, 2019 to commission an independent review from an external reviewer. However, after several months of attempting unsuccessfully to take the review forward, it was realised that undertaking a review in these circumstances was not going to be productive or cost effective. Specifically, legal concerns regarding data protection resulting in the inability to publish a full and frank report or to undertake an effective public hearing on this matter were key considerations.
- 5.5 After deliberation the Scrutiny Management Committee resolved to return to the States Assembly to reiterate its unanimous opinion that the only course of action for an effective resolution to this issue was to establish a Tribunal of Inquiry. The Policy Letter presenting full justification for the establishment of a Tribunal will be presented at the States Meeting on 26<sup>th</sup> February, 2020.

## **6. Next Steps**

### **6.1 Powers, Resources and Impartiality**

In pursuance of the Resolutions of the 18<sup>th</sup> February, 2016<sup>8</sup>, and after consideration of the Policy Letter dated 23<sup>rd</sup> December, 2015<sup>9</sup>, submitted by the Scrutiny Committee and the Public Accounts Committee, it was agreed that legislation be drafted:

1. making provision for the Scrutiny Management Committee to have the power to send for persons, papers and records as set out in paragraphs 2.3 to 2.6 of that Policy Letter and;
2. extending legal privilege to those providing evidence to the Scrutiny Management Committee's hearings and reviews as set out in paragraph 2.24 of that Policy Letter.

The legislation was presented and agreed by the States of Deliberation on 25<sup>th</sup> September, 2019 (Billet d'État XVIII) and when implemented will enable the Scrutiny Management Committee to undertake its work more effectively and efficiently by having access to all the relevant information it requires and compelling evidence from the most appropriate people. The proposed legislation<sup>10</sup> provides the Scrutiny Management Committee with the powers to undertake its work in an open and transparent manner without hindrance.

### **6.2 Governance of Committees**

During this political term the Policy & Resources Committee commissioned as part of the Public Sector Reform programme an independent reviewer to undertake 'good governance' reviews of the Principal Committees. The Scrutiny Management Committee considers that the Policy & Resources Committee is not best placed to commission this type of review and that it would be more appropriate from a governance perspective if the Scrutiny Management Committee undertook the commissioning role. This potential change to governance reviews being commissioned independently by the Scrutiny Management Committee is a strong recommendation for change in the next political term.

## **7. Conclusions**

- 7.1 The Scrutiny Management Committee believes that during this political term it has played a significant role in scrutinising key areas of government policy and spending. It has done so through increasing the number and frequency of public

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<sup>8</sup> Billet d'État No IV, 12<sup>th</sup> January 2016

<sup>9</sup> Billet d'État IV 16<sup>th</sup> February 2016

<sup>10</sup> The Reform (Guernsey) (Amendment) (No 2) Law, 2019

hearings as well as undertaking formal substantive reviews and submitting letters of comment. The effort to raise the public profile of the formal scrutiny process was a deliberate choice by the Scrutiny Management Committee and it is pleased by the positive feedback it has received from Members of the States and the wider community.

- 7.2 The Scrutiny Management Committee believes that additional financial scrutiny should take place in future to ensure that the significant resources of the Government are managed effectively. The current approach is cost effective but it is arguably not proportionate to the current level of government spending. It is also clear that the current approach applies less challenge and oversight than was applied under the pre 2016 system of government in Guernsey or in comparative jurisdictions. It is important that the reality of the current position in this regard is understood.
- 7.3 The Scrutiny Management Committee is frustrated by the limitations of the current system of legislative scrutiny and its Members collectively believe additional importance and priority should be given to legislative scrutiny by the States of Guernsey.
- 7.4 The expectations that are placed by some on the Scrutiny Management Committee within the current system of government will continue to be unrealistic unless they are accompanied by further powers and resources. The Scrutiny Management Committee believes the implementation of new legislation will strengthen powers available. The Scrutiny Management Committee expects its successors to build upon the strong 'scrutiny' foundations laid during this political term and hope that the scrutiny function continues to be increasingly effective moving forward. The current Scrutiny Management Committee suggests the new Committee that takes office in July, 2020 should give real consideration at the very beginning of its term to developing its capacity and capability for expanding the number of so called 'task and finish' panel reviews within the time available; and also to consider whether the public interest will continue to be served by significant formal 'Scrutiny' activity taking place in the public domain rather than in private.

**Handover Report****1 Introduction**

1.1 The States' Assembly & Constitution Committee ('SACC') is responsible for developing and implementing policies in relation to:

- The constitution, procedures, practices and broadcasting of the proceedings of the States of Deliberation.
- The constitution, practical functioning and broadcasting of the proceedings of the States of Election.
- The procedures and practices of Committees of the States.
- Elections to the office of People's Deputy.
- The induction, on-going support and provision of facilities and equipment for States' members.
- Matters concerning the propriety and conduct of States' members.

**2 What difference has SACC made?**

2.1 In the 2016 – 2020 political term, SACC's main focus has been on the Island's electoral system. SACC organised Guernsey's first ever referendum on 10<sup>th</sup> October, 2018, to give effect to the decision of the States of Deliberation on 19<sup>th</sup> February, 2016<sup>i</sup>:

'That for the 2020 General Election and thereafter all deputies shall be elected on an island-wide basis and all voters shall have the same number of votes as there are deputies' seats provided that such a system shall first have been approved in an island wide referendum'.

2.2 SACC presented proposals for the [referendum on Guernsey's voting system](#)<sup>ii</sup> to the States in June, 2017. The States agreed to proceed with the holding of a multi-option referendum on the method of electing People's Deputies to the States of Deliberation and agreed that preferential and transferable voting would be used to determine which of options A to E was most favoured<sup>iii</sup>. [The Electoral System Referendum \(Guernsey\) Law, 2018](#) was subsequently agreed by the States in February, 2018. The referendum on Guernsey's voting system was held on 10<sup>th</sup> October, 2018 and the vote count held on 11<sup>th</sup> October, 2018. The voting system chosen was an Island-wide electoral district to elect 38 Deputies.

2.3 Since October, 2018, SACC has presented three items to the States to support the introduction of the new electoral system: the propositions and policy letter

entitled ‘[General Election 2020](#)’<sup>iv</sup> in April, 2019; the resulting legislation [The Reform \(Guernsey\) \(Amendment\) \(No. 2\) Law, 2019](#)<sup>v</sup> in September, 2019; and ‘[General Election 2020 – Second Policy Letter](#)’<sup>vi</sup> in December, 2019. Aside from the items presented to the States on these matters, SACC has published guidance and information on the referendum and the 2020 Election, developed secondary legislation to support both and supported the significant number of other administrative and communication initiatives to support the smooth running of both.

2.4 SACC has also progressed a number of other work streams relating to its mandate. The numbered ‘duties and powers’ included in SACC’s mandate are cross-referenced in the following section, with the relevant number inserted in brackets in the following sections:

- In June, 2017, the States agreed to proposals to introduce [regular statements by Committee Presidents](#)<sup>vii</sup> as a standard part of States’ Meetings, which obliges the Presidents of all States’ Committees to provide updates to the Assembly on their Committee’s activities and forthcoming work, to strengthen openness and accountability and provide scrutiny to the work of Committees **(2)**;
- In June, 2018, the States agreed to the proposed [amendments to the Code of Conduct for Members of the States of Deliberation](#)<sup>viii</sup> to enable Members to set up private offices to provide them with administrative and other support and to ensure the Code of Conduct was in accordance with international conventions relating to measures for anti-bribery and corruption of public officials **(7)**;
- In 2018, a comprehensive review of the Rules of Procedure was undertaken and it proposed [amendments to the Rules of Procedure of the States of Deliberation and their Committees](#)<sup>ix</sup> which were debated by the States in October, 2018. It further [amended the rules relating to special meetings](#)<sup>x</sup> as required by resolution of the States **(2 & 3)**;
- In October, 2019, it successfully proposed the introduction of a pilot scheme of [proxy voting for parental absence](#)<sup>xi</sup> in the States, to allow new parents to have a proxy vote in divisions of the House. This was immediately put into practice **(2 & 3)**;
- It undertook a review of the benefits and costs of creating a role of a Parliamentary Clerk which has led to the creation of the post of States’ Greffier, who will assist both People’s Deputies and the Civil Service on matters relating to the operation of the States of Deliberation **(2, 3 & 4)**;
- It has formed sub-committees to undertake specific reviews, in particular the review of the Code of Conduct of Members of the States of Deliberation **(7)** and a review of the States of Election **(1 & 3)**. It expects to publish

reports on both these matters before the end of the political term;

- Further to a [resolution](#) of the States, it will be bringing a report to the States recommending the purchase and use of a suitable system of simultaneous electronic voting before the end of the political term<sup>xii</sup>;
- It is introducing a comprehensive on boarding and ongoing development programme for States' Members from July, 2020 onwards, developed from feedback from States' Members and tailored to support Members undertake their role **(4)**;
- It introduced a Lone Working Protocol which was circulated to all Members in November, 2017, which provides guidance to assist Members to put in place systems to minimise the risks of lone working as far as possible **(4)**;
- As required by the Rules of Procedure, it has published a number of reports setting out the recommended dates of States' Meetings for subsequent years, and the according rota of statements for the meetings. It has also produced appendix reports detailing Members attendance of States and Committee Meetings<sup>xiii</sup> **(2&3)**; and
- It has overseen numerous improvements to the information available about States' Meetings **(5)** including:
  - the introduction of a contemporaneous Twitter feed of States' Meetings which also publishes the propositions, amendments, voting records and resolutions;
  - publishing more information including publishing Rule 11 Questions on receipt and early publication of the States Agenda (which now has hyperlinks to all the items embedded in the document); and
  - improving the layout and information available on [www.gov.gg/StatesMeetings](http://www.gov.gg/StatesMeetings) pages.

### **3 How has it done it?**

- 3.1 SACC is supported by one member of staff, its Principal Officer, who also has responsibilities as Clerk Assistant to the States of Deliberation, which occupies around 30% of their time. In order to manage a substantial and varied workload this political term, it has delegated some of its work streams to sub-committees including other Members of the States and, through its Officer, has worked effectively with other Officers across the organisation in progressing other work streams (e.g. the preparations for the General Election, the on boarding and ongoing development programme etc.).
- 3.2 SACC has also maintained a comprehensive work programme, updated monthly, setting out the full programme of work with priorities and deadlines set and reviewed at each meeting.



#### **4 What were the challenges**

- 4.1 The key challenges this term has been delivering substantial and high profile work streams with significant time and resource constraints. Delivering the Island's first referendum presented significant challenges but these were met and the referendum was delivered on time, in line with the direction of the States and under budget. SACC wishes to acknowledge the work undertaken across the organisation to support the delivery of the referendum, and the invaluable support provided by the Parishes.
- 4.2 The change of 4/5ths of the political membership of SACC mid-way through the political term presented challenges, however the Members appointed in November, 2018 hit the ground running and worked together effectively to progress SACC's work streams. At the time of writing, in the 15 months since the current Committee has been in post, it has produced a substantial volume of work, as detailed in section two, not least progressing the arrangements for the 2020 General Election.

#### **5 What needs to be continued**

- 5.1 During this political term, SACC has identified a number of work streams it would have liked to progress, but was unable to given more pressing priorities. These are listed as follows:

**(a) Review against the 'Recommended Benchmarks for Democratic Legislatures' (all areas of mandate)**

- 5.2 The Commonwealth Parliamentary Association (CPA), to which Guernsey has belonged as a full member since 1953, exists to:
- develop, promote and support parliamentarians and their staff;
  - identify benchmarks of good governance; and
  - implement the enduring values of the Commonwealth.

The CPA updated the '[Recommended Benchmarks for Democratic Legislatures](#)' in 2018. This document provides a minimum standard and a guide on how a Parliament should be constituted and how it should function.

- 5.3 SACC believes its successor should prioritise a review of the constitution, procedures, practices and functioning of the States of Deliberation against these benchmarks to identify areas of good practice and areas which require improvement.

**(b) Review of the Reform Law (Duties & Powers No.1, 3 and 6)**

- 5.4 As touched upon in the appendix report to the 'General Election 2020' policy letter, SACC believes the Reform (Guernsey) Law, 1948, as amended and other relevant legislation could be reviewed to produce a single Law taking into account the changes that have taken place since 1948.
- 5.5 It believes, as part of this work stream, that there is merit in considering separating out the legislation governing elections and that governing constitutional matters.
- 5.6 SACC has concluded that, after the 2020 Election, it would be timely for the Reform Law to be subject to a comprehensive review by the Committee, to incorporate lessons learnt from the 2020 Election and to review existing provisions against international best practice.

**(c) Independent oversight of Elections (Duties & Powers No. 6)**

- 5.7 At present, the management of the conduct of elections and its associated tasks is spread across the States of Deliberation between the Registrar-General of Electors, the States' Assembly & Constitution Committee, the Committee for Home Affairs (CfHA), the Presiding Officer etc. SACC's report '[General Election 2020](#)' stated as follows:

- 3.1 The CPA's report 'Recommended Benchmarks for Democratic Legislatures' states at point 1.1.5:

'An independent Electoral Commission or similar authority shall be established for the management of the conduct of elections and its tasks shall include monitoring the election expenses of parliamentary candidates and political parties'.

- 3.2 The Venice Commission's 'Code of Good Practice in Electoral Matters – Guidelines and Explanatory Report' states that an impartial body must be in charge of applying electoral law.

- 3.3 None of the Crown Dependencies currently have an Electoral Commission. The Committee believes the development of a permanent, independent election administration body should be investigated after the 2020 General Election with a view to such a body being established for the 2024 General Election. It believes there is potential scope to look at a pan-Island Electoral Commission and suggests the future Committee liaise with Jersey, Alderney and Sark on this

- 3.4 The Committee noted recommendation four from the final report from

the 'CPA BIMR Election Observer Mission – Jersey General Election – May 2018', where it recommended:

'Consideration should be given to the creation of a permanent election administration body independent of the three branches of State to provide continuous oversight and review of the electoral legal framework, including oversight of candidate and voter registration, implementation of campaign, campaign finance and media provisions, and electoral dispute resolution'.

- 5.8 SACC therefore recommends that its successor should undertake work with Jersey, Alderney and Sark to investigate the creation of a pan-Island Electoral Commission.
- 5.9 Work has also commenced on the following work streams that SACC recommends its successor continues to progress:
- (d) On-boarding and ongoing development for States' Members (Duties & Powers No. 4)**
- 5.10 SACC was granted a budget of £55,000 for 2020 for the on boarding and ongoing development of States' Members. The schedule for the programme in 2020 is being developed by the existing Committee however its successor will need to request a budget for training and development in 2021 and schedule sessions in line with Members' needs.
- (e) On-going support and provision of facilities and equipment for States' Members (Duties & Powers No. 4)**
- 5.11 In 2019, a proposal was submitted to SACC that the States look at alternative premises for States' Meetings to be held. Given other work streams, SACC could not prioritise consideration of this proposal however believes there is some merit in this being investigated by the next Committee.
- 5.12 The on-going support provided to Members as Parliamentarians is limited outside of their Committee roles and SACC recommends its successor look at what support could be introduced for Members, further to feedback from Members.
- (f) Matters concerning the propriety and conduct of States' Members (Duties & Powers No. 5)**
- 5.13 If the States agrees with SACC's recommendation to introduce a Commissioner for Standards to consider complaints under the Code of Conduct for Members of the States of Deliberation, its successor will need to undertake the work to

introduce the role, and the accompanying legislation, and suggests this should be prioritised early in the political term.

## **6 A view on extant resolutions and their place in today's context**

- 6.1 At the time of writing, SACC only has one extant resolution which will unmet before the end of the political term. In October, 2018, the States resolved:

'To direct the States' Assembly & Constitution Committee to review the provisions of the Rules of Procedure of the States of Deliberation and their Committees relating to the matter of a direct or special interest and return to the States with proposals for amending the Rules by incorporation of a suitable definition of the phrase 'direct or special Interest'.

- 6.2 SACC consulted with all States' Members on seeking a definition in August, 2019. Only 11 Members responded. In light of other more pressing work streams, and in the absence of a deadline for reporting back, SACC agreed in September, 2019 to defer work on this resolution and agreed it should be included in SACC's 'Handover Report' for its successor to progress.

## **7 Review of operational functions – successes, challenges and next steps**

- 7.1 Given the nature of SACC's mandate, it has limited operational functions. It is, however, important to highlight that a number of SACC's work streams this term have arisen through either States' resolution (e.g. simultaneous electronic voting, the review of the Transport Licensing Authority) or through direction from the Policy & Resources Committee (e.g. the States of Election review).
- 7.2 SACC has seen a substantial increase to its workload in this term in comparison to previous terms, outside of the work required to progress the referendum and the preparations for the General Election. If States' Members and other Committees wish to continue to allocate a number of work streams for SACC to progress there will need to be more resources allocated to SACC to meet these.

## **8 Conclusion**

- 8.1 SACC hopes its successor will continue to build on the significant progress it has made this term, and look to continue to transform and improve the areas under its mandate.

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<sup>i</sup> The Requête '[Island Wide Voting Referendum](#)' was published in Billet d'État III (Volume III) and considered at the meeting on 16th February, 2016.

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- ii [Referendum on Guernsey's Voting System](#) P.2017/49 was published in Billet d'État XIV and considered at the meeting on 21<sup>st</sup> June, 2017.
  - iii Options A to E are included in Schedule 1 of the '[The Electoral System Referendum \(Guernsey\) Law, 2018](#)' published in Billet d'État V considered at the meeting on 7<sup>th</sup> February, 2018.
  - iv [General Election 2020](#) P.2019/22 was published in Billet d'État VII and considered at the meeting on 24<sup>th</sup> April, 2019.
  - v [The Reform \(Guernsey\) \(Amendment\) \(No. 2\) Law, 2019](#) was published in Billet d'État XVIII and considered at the meeting on 25<sup>th</sup> September, 2019.
  - vi [General Election 2020 – Second Policy Letter](#) was published in Billet d'État XXIV and considered at the meeting on 11<sup>th</sup> December, 2019.
  - vii [Regular Statements by Committee Presidents](#) was published in Billet d'État XI and considered at the meeting on 7<sup>th</sup> June, 2017.
  - viii [Amendments to the Code of Conduct for Members of the States of Deliberation](#) was published in Billet d'État XVIII and considered at the meeting on 27<sup>th</sup> June, 2018.
  - ix [Amendments to the Rules of Procedure of the States of Deliberation and their Committees](#) was published in Billet d'État XXIII and considered at the meeting on 24<sup>th</sup> October, 2018.
  - x [Amendments to provisions relating to special meetings in the Rules of Procedure of the States of Deliberation and their Committees](#) was published in Billet d'État X and considered at the meeting on 12<sup>th</sup> June, 2019.
  - xi [Proxy voting for Parental Absence](#) was published in Billet d'État XX and considered at the meeting on 16<sup>th</sup> October, 2019.
  - xii The [Resolution](#) directing SACC to recommend the purchase and use of a suitable system of simultaneous electronic voting can be read on the [24<sup>th</sup> October, 2018 States' Meeting](#) webpage.
  - xiii The Dates of States' Meetings for each year: [2020 to 2021](#) in Billet d'État XVIII of 2019; [2019 to 2021](#) in Billet d'État XX of 2018; [2018-2019](#) in Billet d'État XVIII of 2017; and [2017 – 2018](#) in Billet d'État XXIII. The attendance reports for States' Members can be found under the 'Meeting attendance' heading on [www.gov.gg/YourDeputies](http://www.gov.gg/YourDeputies).

**Handover Report****1 Introduction**

- 1.1 The States' Trading Supervisory Board (STSB) oversees a diverse and unique portfolio of States' owned trading operations, with a combined net asset value of more than £600m and annual turnover of more than £200m and which provide essential products and services for the benefit of islanders all day, every day. Since its inception in 2016, the STSB has focused on cultivating the benefits that come from developing a group philosophy amongst its trading operations. It has sought to harness the strengths and advantages of public ownership and control of critical infrastructure, whilst applying a more commercial, customer-focused approach to operations and service delivery. The STSB's stewardship seeks to achieve the right balance between commercial considerations and the wider interests of Islanders. In doing so, it has instilled a clear strategic direction through the development of business plans, with performance goals focused on improving outcomes in areas such as public value, service excellence and efficiency and customer satisfaction.

**2 Vision and Mission**

- 2.1 The STSB's vision is that 'the Trading Assets will be a group of well-managed, efficient companies that deliver a return in the long-term best interests of Islanders'. The STSB seeks to ensure its companies deliver cost-effective and innovative services, whilst operating responsibly in the best interests of the community. As such, it has established the following mission for Trading Assets:
- They are regarded with confidence, as a trusted and competent group;
  - They perform strongly and are able to evidence continuous improvement, comparing well with benchmarks; and,
  - STSB governance provides authority and strength to the group of assets.
- 2.2 In support of the above, the STSB has introduced a range of improved governance arrangements. Key amongst these has been establishing individual 'company boards' for each unincorporated trading asset<sup>1</sup>. The role of the boards is to challenge established practices and assumptions and to create, develop and critically review long-term business plans and budgets for subsequent approval by the STSB. They are also responsible for ensuring the efficient and effective management, operation and maintenance of each company's trading concerns and that these are aligned with the States' wider strategy and policy framework, including the Future Guernsey Plan. Subsequently, the STSB has recruited a number of experienced business leaders who have joined these company boards in a voluntary capacity and who bring with them additional commercial and private sector expertise and a fresh perspective.

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<sup>1</sup> Guernsey Water; Guernsey Dairy; States Works; the Ports; and, Guernsey Waste.

2.3 The STSB has also adopted an active role as shareholder in the incorporated trading companies<sup>2</sup>, including the establishment of more formal and regular meeting and reporting arrangements. The focus is on reviewing and approving their strategic and business plans, engaging with them on financial matters and holding them to account in terms of performance against those plans and their shareholder objectives. These arrangements are reflected in updated Memoranda of Understanding that have been put in place with them.

2.4 The STSB has also established a Lottery Sub-Committee, which has been driving a review of the Guernsey operation of the C.I Lottery. Its focus has included ensuring continued improvement in its delivery and that appropriate levels of governance are established and working effectively.

### **3 Key Areas of Strategic, Policy and Operational Activity**

3.1 The STSB's businesses deliver a wide range of essential public services within the States' economic, social and environmental policy framework. Its companies have a great deal of specialist subject matter expertise that enable it to support the States' principal Committees in the development of those policies. Examples include:

3.2 Solid Waste Strategy: The STSB has worked jointly with the Committee *for the Environment & Infrastructure (CftE&I)* on policy letters for the States on arrangements for the implementation of the solid waste strategy and the new charges for household waste collection that underpin that strategy. Guernsey Waste has been the driving force behind the implementation of the strategy, including: the construction and operation of the new Waste Transfer Station; the development and management of contracts for exporting waste to an Energy from Waste facility in Europe; and, the roll-out of new refuse collection and recycling services. Household recycling rates in Guernsey now stand at up to 65%, one of the highest recorded in Europe.

3.3 Harbour Area Redevelopment and Seafront Enhancement: The STSB is a stakeholder in the programme of work on the development and coordination of policies to unlock development opportunities along the Eastern Seaboard. In support of that initiative, it has established a Commercial Ports Investigation Board (CPIB) to identify the Harbours' future needs and potential options for harbour development, including: consideration of new berth facilities east of the QEII marina or nearer to St Sampson's Harbour; and, an assessment of the impacts, practicalities, and potential benefits of relocating some commercial port operations away from St Peter Port. The STSB has been directed to report back to the States on progress by December 2020. In addition, the CPIB has responsibility for an Environmental Impact Assessment (EIA) that is now being undertaken on a potential land reclamation area - and its future development

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<sup>2</sup> Guernsey Electricity, Guernsey Post, Cabernet (the Aurigny Group) and Jamesco 750.

uses – at a location east of the QEII marina.

- 3.4 Water and Waste Water: In support of the CftE&I's mandate for matters relating to climate change, water and waste water, Guernsey Water has developed a Surface Water Management Policy to reduce the risk of sewer flooding and pollution by effectively tackling storm water across the Island. With the endorsement of the CftE&I, it has also developed a Water Resources and Drought Management Plan that identifies: how demand for water and its ability to supply it will change over time; how it will ensure there is adequate water to meet future demand in drought conditions; and, what risks and uncertainties might affect the balance between water supply and demand in the future.
- 3.5 Inert Waste: In 2017, the CftE&I and the STSB submitted to the States a new Inert Waste Strategy. This reflected the internationally accepted principle of the Waste Hierarchy, adapted to the Island's specific circumstances, and identified the different approaches to inert waste management in order of preference, from prevention, reuse and recycling through to recovery and disposal. It acknowledged the ongoing need for a disposal site for some inert material and that, as the current site at Longue Hougue nears capacity, there was an increasingly urgent need to secure a replacement facility. An EIA has been commissioned for the preferred site, this being an area of land and foreshore known as Longue Hougue South. The STSB and the CftE&I will be reporting back to the States with the results of that EIA and recommendations on the preferred way forward for the management of inert waste during 2020.
- 3.6 Aurigny Air Services – Scrutiny: The STSB and Scrutiny Management Committee commissioned an efficiency and benchmarking review of Aurigny, which concluded it was generally well managed, but identified opportunities for improvement.
- 3.7 Other: Guernsey Harbours are supporting the CftE&I in the development of a Maritime Strategy and the STSB is supporting the Committee for Health & Social Care in a review to understand the prevalence of problem gambling and to develop services to address identified concerns.
- 3.8 As well as supporting the States' principal Committees in the development and implementation of their policies and strategies, the STSB has also directly progressed a range of other significant initiatives. Examples include:
- 3.9 Medium Term Financial Plan (MTFP): Following its inception in 2016, the STSB delivered returns to the States of Guernsey of £33.8m. Furthermore, the States agreed an additional target of £30m as part of the MTFP. Since 2017, a further £14m has been returned in support of that Plan. This has been achieved through a combination of measures including Special Dividends, reserves' distributions, repayments to the Capital Reserve of assets that it had previously funded and a



land transaction. A further £5m is forecast within the term of the MTFP, bringing the expected total to £19m against the £30m target.

- 3.10 Subsea Cables: The STSB worked closely with Guernsey Electricity (GEL) to scrutinise its business case for the replacement of the subsea cable between Guernsey and Jersey and to ensure procurement and contractual requirements were completed to allow for works to be carried out in 2019, increasing access to affordable and low carbon electricity following the original cable's failure.
- 3.11 Alderney Airport: The STSB developed the Outline Business Case for the rehabilitation of Alderney Airport runway, which was approved by the States in 2019, including the release of funding for the design and procurement phase which has now been completed. It is anticipated that the Final Business Case and preferred bidder to undertake the refurbishment of the runway, expected to cost in the region of £12m, will be approved during 2020.
- 3.12 Aurigny Fleet Renewal: The STSB scrutinised the business case from Aurigny for the replacement of its fleet of ATR aircraft and submitted proposals to the States for the funding arrangements for that project.
- 3.13 Fuel Tank Ships: The STSB worked with Jamesco on the development of its project to install ballast water management systems on the MV Sarnia Cherie and MV Sarnia Liberty in accordance with IMO regulations, thereby securing their ability to continue importing critical oil supplies to the Island.

#### **4 Key Strategic, Policy and Operational Challenges**

- 4.1 The STSB has the following strategic, policy and operational challenges:
- 4.2 Energy Policy and the Hydrocarbons Programme: The transition in the energy market towards renewable and behind-the-meter generation raises questions about the future role and structure of GEL that can only be addressed within the context of an updated Energy Policy being developed by the CftE&I. The policy will need to establish the role GEL will play in the delivery of its aims and objectives, thereby enabling the STSB to update the Company's shareholder objectives. It will also establish the context for making a number of key strategic investment decisions that GEL faces and how those will be funded, not least of which is a decision on a subsea cable to France. The States' future policies for the importation of hydrocarbons are also of fundamental interest to Jamesco and Guernsey Harbours. Both of Jamesco's fuel tank ships are scheduled to be withdrawn from service in 2028 as a result of their age. Jamesco needs to start considering whether or not they should be replaced, recognising that the lead-in period for their replacement is four years. The hydrocarbons programme being developed by the CftE&I is therefore essential to Jamesco, as it will inform its decision making on these matters and ensure that the STSB can advise the States

on these strategic investment decisions. Fuel importation arrangements will also have an important bearing on the work to identify the Harbours' future needs and potential options for harbour development.

- 4.3 Household Waste Charges: The initial charges for household waste introduced in 2019 were based on detailed financial modelling over 20 years. That required a number of assumptions, including how much waste and recycling would be generated by households and businesses in future years. The number of general rubbish bags was forecast to reduce initially and then continue to decrease over time. However, the immediate reduction in general waste has been higher than forecast, albeit it was always anticipated that tonnages would fall over the medium to long term. One of the reasons for this has been the higher than anticipated uptake of food waste collections. In turn, this is affecting not just the income from bag charges, but also the cost of managing and processing waste. Guernsey Waste is continuing to develop a long term pricing strategy, so that charges do not see sharp fluctuations. This will involve revisiting the base financial model to update the forecasts of volumes, costs and income, for both household and commercial waste.
- 4.4 Government Framework - Air Route Operations and Support: The States has endorsed Policy & Resources Committee's (P&RC) intention to develop, in consultation with Committee for Economic Development (CfED) and the STSB, a government framework for the consideration of all aspects of air route operation and support that is under the control of the States. This framework will take into account the need to: maintain air links that are of strategic importance to the Island; stimulate the economy through the enhancement of routes available for both business and leisure travellers; consider the likely effects of the revised framework on Aurigny's financial position; and, determine how any conflicting interests are to be reconciled. P&RC has committed to reporting on this matter in 2020 and the STSB's expectation is that the States' decisions in this area will enable it to establish revised shareholder objectives for Aurigny and develop proposals to recapitalise it.
- 4.5 MTFP and Returns from the Trading Businesses: The STSB's view is that returns from its trading businesses should only be made in the long-term interests of both Islanders and the business concerned, taking into account social and economic factors, as well as fiscal concerns. They should not be made in lieu of taxation as a result of poor fiscal discipline. It strongly believes that the trading business should be viewed as "not for dividend" and that surpluses they generate should be returned to the customer or invested in the development of the business concerned. Where returns are made, they should be properly tied to their business plans which clearly address their cash requirements and how these are to be funded. With the agreement of the P&RC, the STSB has evaluated options to restructure its businesses' balance sheets as a means of returning further capital under the MTFP. P&RC has acknowledged that the initial £30m

returns target was un-validated when it was originally published and that this work would provide an objective means of determining whether or not it was reasonable. Based on an assessment of the maximum debt/equity ratios that can be sustained by its individual businesses, the STSB's current view is that the maximum cumulative return that can be delivered within the timescale of the MTFP is £18.93m, but it is continuing to investigate opportunities for additional sources of returns. The STSB has committed to developing reserves policies for each of its businesses, which may identify opportunities to make further returns. It has also committed to developing a "pseudo" tax regime to enable the payment of a notional equivalent of income tax by the unincorporated businesses (bringing them into line with the incorporated ones, which are subject to a 20% rate). Whilst there may be opportunities for further returns beyond 2021, the STSB believes there should be no expectation of doing so, as this will impede the business' ability to forward plan in the medium to long-term.

- 4.6 Investment in Infrastructure: One of the overarching challenges for the STSB remains the need to invest in the Trading Assets' infrastructure in accordance with structured asset management plans. Its belief is that its businesses should aim to fund their own capital requirements where they have a clear need for making such investments to sustain normal operations. The challenge arises where such investments might be needed in the strategic interests of the Island, but go beyond what would be needed by the business in the normal course of its activities. An example is the potential extension of the runway at Guernsey Airport, where it is unlikely that the costs of an extension would be justified by the business alone and the increases in Airport fees needed to fund the investment could be sustained by its existing customer base.
- 4.7 The improved governance introduced by the STSB for its unincorporated businesses means there is now a better focus on asset management, but this is against a history of longer-term under-investment in the infrastructure upon which they depend to deliver services. The businesses are capital intensive operations. The restructuring of their balance sheets as part of the MTFP has resulted in their borrowing more at a time when significant capital investment is essential going forward into the next decade to ensure operations can continue safely, effectively and efficiently.
- 4.8 Regulation of Utilities: The States agreed in 2015 and 2016 to exempt both GEL and Guernsey Post from the licensing and regulation provisions of their respective sector laws and remove them from the remit of the Guernsey Competition and Regulatory Authority. However, the enabling legislation has not yet been brought forward by the CftED. Both companies require certainty about their future regulatory models and the extent to which the Guernsey Competition and Regulatory Authority will be involved as a stakeholder in their future decision making. They now find themselves in a "regulatory vacuum" which risks delaying key operational, financial and strategic decisions. In GEL's

case, this has delayed work on reviews of its tariffs that are needed to address its underlying cost and revenue drivers, including its recent investment in a replacement for its subsea cable, and the wider tariff issues arising from the energy market transition. The regulation issue must also be addressed before an investment decision can be made on a subsea cable direct to France. The STSB is continuing to work with the CftED on these issues, acknowledging that the detailed structure of a future regulatory framework for GEL has to be developed in parallel with the States' energy policy, as this will address issues around future levels of competition within Guernsey's energy and electricity markets and the role that GEL will be expected to play within those.

## **5 Key Ongoing Work Streams**

- 5.1 The STSB has agreed the following key work streams for the next political term:
- 5.2 Policy: Continuing to support the States' principal Committees in the development and implementation of policies in areas such as: energy; waste; air and sea links; utility regulation; infrastructure; climate change; problem gambling; and, maritime affairs;
- 5.3 Strategic Planning: Continuing to embed within the unincorporated businesses a more commercial mind-set and corporate discipline, working to long-term business and asset management plans that set out their strategic direction, including the ongoing development of a group-wide business and financial strategy that is commensurate with the future vision and mission of the STSB and dovetails with the MTFP for 2022-2026;
- 5.4 Extant States Resolutions: In accordance with extant States' Resolutions, reporting to the States in 2020 on:
- The results of the EIA on a potential land reclamation at a site east of the QEII Marina and its potential future development uses;
  - Progress on the detailed analysis of future harbour requirements, including consideration of new berth facilities and potential opportunities for relocating some commercial operations away from St Peter Port;
  - The results of the EIA on a disposal site for inert waste, with recommendations on a preferred way forward for inert waste management and options for the temporary stockpiling of inert waste;
  - An outline business case for an inert waste site and a revised draft of the Island's Waste Management Plan; and,
  - A full business case for the Alderney Airport Runway Rehabilitation project, including a preferred bidder.
- 5.5 Shareholder Objectives: Ongoing reviews of the incorporated companies' shareholder objectives, including: ensuring that GEL's and Jamesco's reflect the

objectives of the new Energy Policy and Hydrocarbons Programme; and, ensuring that Aurigny Air Services' reflect the new government framework for air route operations and support.

- 5.6 Aurigny Air Services: Working with Aurigny to address the recommendations of the Efficiency and Benchmarking Review of the airline;
- 5.7 Policy Letters: Presenting policy letters to the States on matters including:
- Appointment of non-States Members to the STSB;
  - The Future Guernsey Dairy project that sets out a case for investing in the Dairy's infrastructure so that it can continue to support the dairy farming economy and protect the Guernsey breed and associated cultural heritage;
  - A recapitalisation of Aurigny Air Services to address its accumulated losses;
  - A long-term pricing strategy for the disposal of household waste arising from the higher than anticipated reduction in general rubbish bags being processed;
  - A review of the 1927 Water and 1974 Wastewater legislation;
  - A business case for GEL's proposed Guernsey-France subsea cable project; and,
  - Hold baggage screening arrangements at Guernsey Airport.
- 5.8 MTFP: Developing initiatives in support of the MTFP, including:
- The development of Reserves Policies for each trading business;
  - The development of a "pseudo" tax regime for the unincorporated trading companies; and,
  - Improved reporting of the "public service" offerings that sit outside of the trading companies' commercial operations (for example, maintenance of the North Beach public car park or maintenance of the mast at the Weighbridge roundabout).
- 5.9 Lottery: Working with the States of Jersey to agree an updated operating model for the C.I. Lottery and supporting the new Social Investment Commission in its responsibilities for the disbursement of lottery proceeds.